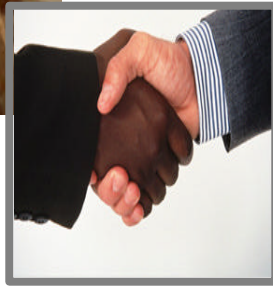


County of Orange  
**HOUSING & COMMUNITY DEVELOPMENT DEPARTMENT**



**FINAL**  
**Annual Action Plan**  
**Fiscal Year 2002-2003**  
**August 2002**



**Participating Cities and Target Areas**

City of Aliso Viejo  
City of Brea  
City of Cypress  
City of Dana Point  
City of Laguna Beach  
City of Laguna Hills

City of Laguna Woods  
City of La Palma  
City of Los Alamitos  
City of Placentia  
City of Rancho Santa Margarita  
City of San Clemente

City of Seal Beach  
City of Stanton  
City of Villa Park  
City of Yorba Linda

**Board of Supervisors**

**Charles V. Smith  
First District**

**Todd Spitzer  
Third District**

**James W. Silva  
Second District**

**Cynthia P. Coad - Chairman  
Fourth District**

**Thomas W. Wilson  
Fifth District**

**COUNTY OF ORANGE, CALIFORNIA**

**ANNUAL ACTION PLAN  
For Fiscal Year 2002 - 2003**

Prepared by:  
Paula Burrier-Lund, Director  
Housing and Community Development Department

Housing Finance and Policy, Grant Management  
1770 North Broadway, Fourth Floor  
Santa Ana, California 92706

Annual Action Plan Prepared For:  
U.S. Department of Housing and Urban Development  
Office of Community Planning and Development

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- A. Year 2 Kick-Off Letter to Subrecipients
- B. Agenda Item Transmittal (AIT) – Public Hearing-Adoption of Amendment to Annual Action Plan for Fiscal Years 1997-1998 through 2000-2001
- C. Notice of Public Hearings
- D. Notice of 30-Day Public Review
- E. Letters on Availability of Draft Annual Action Plan
- F. Appeals and Responses
- G. Citizen Participation Plan
- H. Target Area Maps

**This is only a portion of the Final Annual Action Plan FY 2002-2003.**

**If you are interested in reviewing the Plan in its entirety please contact Loretta Fergerstrom at (714) 480-2853.**

## **BACKGROUND**

The County of Orange has developed a Consolidated Plan for Fiscal Years 2000-2004 which contains the County's needs assessment, strategy and actions for carrying out plans to address the Urban County's community needs over a five-year period. The Consolidated Plan identifies specific goals and objectives for the use of federal grant resources and local funds. Included as part of the Consolidated Plan is the Annual Action Plan, which identifies the resources to be committed each year toward accomplishing the objectives as stated in the Consolidated Plan, including the proposed use of federal and local funds.

As shown on the following chart, the County dedicated more than \$39 million in Federal funds and over \$22.9 million in local funds over the previous five-year period (1997-2001) toward accomplishing the goals and priorities established for that period. In the last five years (1997-2001), the County's Housing and Community Development Department (H&CD) has received and allocated the following resources (**Table I-1**) for housing and community development projects consistent with the Plan:

**TABLE I-1**  
**Previous Funding by Fiscal Years**

<b>Federal funds</b>	<b>1997-1998</b>	<b>1998-1999</b>	<b>1999-2000</b>	<b>2000-2001</b>	<b>2001-2002</b>	<b>Total</b>
<b>CDBG</b>	5,668,000	5,601,000	5,635,000	\$5,165,000	\$5,389,000	27,458,000
<b>HOME</b>	1,398,000	1,495,000	1,603,000	1,605,000	1,776,000	7,877,000
<b>ESG</b>	145,000	184,000	171,000	171,000	171,000	842,000
<b>Program Income</b>	563,490	800,000	915,300	599,700	446,020	3,324,510
<b>Subtotal</b>	<b>7,774,490</b>	<b>8,080,000</b>	<b>8,324,300</b>	<b>7,540,700</b>	<b>7,782,020</b>	<b>\$39,501,510</b>
<b>Local Funds</b>						
<b>NDAPP</b>	2,164,250	1,134,000	1,080,000	6,165,000	10,894,299	21,437,549
<b>HSS</b>	235,000	282,000	288,000	288,000	400,000	1,493,000
<b>Subtotal</b>	<b>2,399,250</b>	<b>1,416,000</b>	<b>1,368,000</b>	<b>6,453,000</b>	<b>11,294,299</b>	<b>22,930,549</b>
<b>Total Resources</b>	<b>\$10,173,740</b>	<b>\$9,496,000</b>	<b>\$9,692,300</b>	<b>\$13,993,700</b>	<b>\$19,076,319</b>	<b>\$62,432,059</b>

A comparison of the above figures indicates that Federal funds provided to the County by the Department of Housing and Urban Development (HUD) were a major resource for Housing and Community Development activities.

Each year, HUD provides "formula allocations" to urban counties, entitlement cities, and/or states, based on demographic and economic information, such as low and moderate-income populations. The County of Orange qualifies as an Urban County and represents 16 cities and 14 unincorporated target areas, including Orange County Development Agency (OCDA) target areas. As one of the 16 cities, the City of Yorba Linda, referred to as a "Metro City" with over 50,000 in population, has elected to administer their entitlement funds through the Urban County program. Funding reserved for this City is therefore included in the above amounts and throughout this Plan except where noted.

Annual formula allocations are made available to Urban Counties in the Community Development Block Grant (**CDBG**) and Emergency Shelter Grant (**ESG**) programs. The County also qualifies as a "Participating Jurisdiction" for HOME Partnership Investment Program (**HOME**) funds. The fourth source of funds, **Program Income**, is generated from repayment of loans originally made with CDBG and HOME funds. Although not included as part of HUD's new formula allocations, Program Income funds are considered Federal funds since they are generated from previously funded CDBG or HOME projects. These estimated revenues are therefore included as available federal resources in this Plan.

## **FUNDING FOR FISCAL YEAR 2002-2003**

In Fiscal Year 2002-2003, the Urban County (including Metro City of Yorba Linda) anticipates receiving \$7,544,771 in new federal funds (i.e. CDBG, HOME, ESG and Program Income). The total CDBG allocation will be \$5,241,000, an overall decrease of \$148,000 compared to the previous year. Of this CDBG total, the County portion (i.e. excluding the Metro City of Yorba Linda allocation) will be \$4,929,000 (compared to FY 2001-2002, a decrease in County funding level of \$127,000). The City of Yorba Linda will received \$312,000 in CDBG, a decrease of \$21,000 from last year's allocation. The total HOME Program allocation will be \$1,765,000 (a decrease in funding level of \$11,000 from last year), while the ESG Program increased by \$1,000 and will be \$172,000. The City of Yorba Linda does not receive HOME or ESG funds. It is estimated that Program Income will be \$366,771, which represents a decrease of \$77,249 from the prior year's estimate. To summarize, with the exception of the ESG Program, new federal funding to the Urban County decreased in FY 2002-2003.

In addition to the federal funds referenced above, in February, 2002 the County recaptured federal funds from prior year projects and reallocated some of those funds into new projects. The use of these recaptured funds is further discussed on Page 8 and Page 18.

H&CD has also secured approval for commitment of local resources through Orange County Housing Authority Operating Reserve funds (i.e. Housing Support Services Program - HSS) and Neighborhood Development and Preservation Project (NDAPP) funds for Fiscal Year 2002-2003. NDAPP funds will be available in the estimated amount of \$5,155,747 for public facilities and improvements, housing rehabilitation and affordable housing projects. Furthermore, \$400,000 in the form of HSS funds has been committed from Operating Reserves funds. H&CD will strive to leverage and optimize these combined federal and local resources to achieve the goals and objectives established in the Consolidated Plan and this Annual Action Plan.

**Table I-2** below identifies the anticipated federal and local funding to be available for FY 2002-2003, the third year of the County's 5-Year Consolidated Plan.

**TABLE I-2  
Funding FY 2002-2003**

<b>Federal Funds</b>	<b>2002-2003</b>
<b>CDBG</b>	*\$5,241,000
<b>HOME</b>	1,765,000
<b>ESG</b>	172,000
<b>Program Income</b>	366,771
<b>Subtotal</b>	<b>\$7,544,771</b>
<b>Local Funds</b>	
<b>NDAPP</b>	\$5,155,747 (estimate)
<b>Operating Reserve/HSS</b>	\$400,000
<b>Subtotal</b>	<b>\$5,555,747 (estimate)</b>
<b>Total Resources</b>	<b>\$13,100,518 (estimate)</b>

*\*Includes Metro City of Yorba Linda  
Does not include Program Income Administration  
and Planning nor HSS Direct Project Costs;  
NDAPP figures are estimates.*

### ***Use of Program Income***

Program Income is generated from previously funded CDBG and HOME activities, such as repayment of housing rehabilitation loans. These funds must be used prior to the expenditure of new funds and are most effectively used by immediately reinvesting them in the activities that generated the income. Approximately \$ 366,771 in Program Income is expected to be available for Fiscal Year 2002-2003. **Table 4** consist of a listing of programs funded with estimated Program Income from repayment of housing rehabilitation loans from the County's Neighborhood Improvement Program, which contribute to the support of the El Modena and Midway City Community Centers.

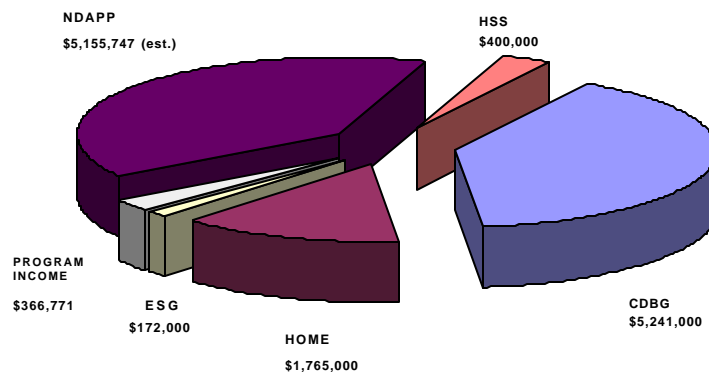
### ***Use of Local Funds***

Since its inception in 1995, the County's bankruptcy recovery plan has impacted the availability of local redevelopment - NDAPP funds. Budget management over NDAPP funds has been transferred to the County Executive Office and H&CD has retained project management responsibilities only. Due to constraints on funding, the types of projects that can be funded with NDAPP must typically be housing-related and targeted for redevelopment areas. Funding in the estimated amount of \$5,155,747 for twelve (12) projects is listed on the top portion of **Table I-8**.

Over the past several years, the Orange County Housing Authority (OCHA) has made between \$235,000 and \$400,000 available annually to fund housing-related public services using local Housing Support Services (HSS) funds in the Orange County Housing Authority Operating Reserves. These are accumulated surplus housing authority administrative fees provided by HUD to operate its rental assistance programs. Consistent with the Board of Supervisors directive, \$400,000 in HSS funds has been set aside and will be allocated to the ten (10) projects identified on the bottom portion of **Table I-9**.

**Chart I-1** below illustrates the total allocated for both federal and local funding for Fiscal Year 2002-2003. As shown in the chart, the total funding anticipated for this year is \$13,100,518.

**CHART I-1  
TOTAL LOCAL AND FEDERAL FUNDS TO BE UTILIZED  
FY 2002-2003**



**Metro City (City of Yorba Linda)**

Of the County's total CDBG funding, \$312,000 has been designated by HUD for the City of Yorba Linda, a Metro City. The City of Yorba Linda has indicated that for Fiscal Year 2002-2003 they will allocate their portion of the CDBG allocation in the following manner:

ADA Compliance for Public Facilities Improvements	\$59,600
Neighborhood Improvement Program-Code Violations	\$40,000
Senior Citizen Nutrition Program	\$39,000
Neighborhood Rehabilitation-Senior and Disabled	\$56,000
Town Center Relocation	\$55,000
Administrative Costs (City)	\$31,200
Administrative Costs (County)	<u>\$31,200</u>
TOTAL	\$312,000

Ten percent (\$31,200) of these funds are dedicated for County use in administering the program on behalf of the City.

**Strategies and Commitments**

This Action Plan reflects a strong emphasis on the part of the County's H&CD Department in pursuing the strategies and objectives stated in its mission statement:

*"To work in partnership with Orange County's diverse communities to preserve and expand affordable housing opportunities, strengthen economic viability and enhance the livability of neighborhoods."*

While continuing to pursue the overall goals and objectives stated in the previous and current Consolidated Plans, the County has recognized the need to emphasize the necessity for a stronger focus on the development of new affordable housing and the retention of existing affordable housing stock. Strong growth in real estate values, recovery of the Orange County economy, increasing rents, and overall housing costs are examples of factors that influenced this commitment.

The development and rehabilitation of affordable housing and housing for the homeless remain the high priorities in the Consolidated Plan. Through this Action Plan the County of Orange and the local participating cities will be dedicating approximately \$1,739,597 of federal funding for acquisition and construction of affordable permanent housing and over \$1,114,240 for housing rehabilitation. The County has a strong commitment to support both of these high priority activities.

**Proposals/Application Process for Fiscal Year 2002-2003 Funding**

In August 2000, H&CD initiated the implementation of a new concept, a multi-year funding cycle. Instead of administering an application process every year, H&CD administers a one-time process that covers multiple years of funding cycles (i.e. two or three fiscal years). Projects are now approved for multiple years of funding by submitting a one-time application. However, subsequent years of funding within this multi-year process must demonstrate progress toward meeting contractual accomplishments.

Inaugurating the Multi-Year Grant Application Funding Allocation Process, H&CD used a two-year process for FY 2001-2002 and FY 2002-2003 funds (a new Multi-Year process will begin for FY 2003-2004). During FY 2001-2002 (Year 1) process, new applications were solicited, evaluated, and approved for two-year funding. However, FY 2002-2003 (Year 2) funding recommendations are based on the agency's performance under Year 1 of its current funding contract. As stated in the FY 2001-2003 Request for Proposals, "quantifiable performance measurements and outcomes and demonstration of accomplishments prior to second year



funding” are required. These performance measures include timely draw down rate, overall accomplishments to date, and meeting milestones.

In order to assess Year 1 performance and determine Year 2 funding allocations, H&CD developed and employed various evaluation mechanisms (i.e. questionnaire, thresholds, scoring, etc.) to produce assessment materials for the Application Review Committees (ARC). H&CD convened each ARC, who are responsible for reviewing evaluation materials and making funding recommendations, on three separate occasions to discuss Year 2 evaluation issues. Based on the first six months of the Year 1 funding period, project assessment materials included staff analyses of each project’s progress, as well as staff findings from on-site monitoring visits.

In October 2001, H&CD transmitted to all Subrecipients with FY 2001-2002 contracts a packet that included a letter explaining the Multi-Year Grant Application Allocation Strategy for FY 2002-2003, Project Assessment Questionnaire, Project Assessment Thresholds, and a Funding Schedule. The Project Assessment Questionnaire was designed to give agencies an opportunity to represent their accomplishments relative to the scope of services incorporated into the County of Orange funding contract executed for the subject project/activity. The Project Assessment Thresholds document lists prerequisite milestones for different types of activity (i.e. Public Service, Housing Rehabilitation, etc.) and served as a guide for agencies, staff, and the ARC in determining the progress of a project. These items were presented to and reviewed by the Application Review Committee (ARC) prior to the transmittal of the packets to all Subrecipients.

Prior to initiating the assessment process, H&CD conducted an in-house training workshop for internal staff explaining Year 2 assessment goals, the entire process, staff roles, materials, and schedule. This workshop benefited H&CD Contract Representatives in preparing for on-site monitoring visits and assisting Subrecipients in understanding the Year 2 process. In November 2001, H&CD received notice from HUD regarding CDBG timeliness issues and subsequently held three (3) separate meetings with City Subrecipients, nonprofit subrecipients, and the ARC to address how project performance relates to CDBG timeliness.

In December 2001, H&CD received the completed Project Assessment Questionnaires from each agency funded in Year 1 along with support documentation. Each project was reviewed in a three-step process. This included a “threshold” review process in which staff assessed the project progress as reported in the questionnaire, staff on-site monitoring visits, and lastly a “evaluation and scoring” process by the Application Review Committees. There were two Application Review Committees (Public Services ARC and Public Facilities & Improvements/Housing Rehabilitation/Economic Development ARC) convened to review and evaluate all projects that provided completed questionnaires.

For the “threshold” review process, staff participated in working sessions to review questionnaires and prepare the Mid-Year Progress Summary Statement. The purpose of the Mid-Year Progress Summary Statement was to incorporate a staff evaluation of each project’s progress relative to the agency’s funding contract scope of services. Furthermore, it served as a tool to H&CD Contract Representatives in their monitoring visits, by identifying project progress and issues to follow-up on. During the on-site the monitoring visits, H&CD Contract Representatives used the standard monitoring visit checklist and forms to document their monitoring findings and to address issues raised in the Mid-Year Summary Statement and Project Assessment Questionnaire. All these materials (Project Assessment Questionnaire, Mid-Year Progress Summary Statement, Monitoring Findings, etc.) were then provided to each ARC for their official evaluation, scoring, and funding recommendations.

Each project was ranked and rated by each ARC member using a Committee Evaluation and Scoring Document, which delineated the following scoring system components:

- Public Facilities & Improvements (PF&I)/Housing Rehabilitation/Economic Development
  - ☐ Product Performance and Accomplishments – 30 points
  - ☐ Financial Performance and Accomplishments – 30 points

- ☐ Overall Performance – 15 points
- ☐ Capacity – 25 points

Public Services

- ☐ Product Performance and Accomplishments – 35 points
- ☐ Financial Performance and Accomplishments – 45 points
- ☐ Overall Performance – 10 points
- ☐ Capacity – 10 points

For both Public Services and PF&I/Housing Rehabilitation/Economic Development projects, the Capacity score was weighted at 50 percent of the total score, while the other categories were aggregated and weighed at 50 percent of the total score. Hence, the total score was comprised of 50% performance and 50% capacity. Unlike the process typically used during the initial “first year” evaluation process in which some projects that do not pass threshold are not considered for funding, all Year 1 projects were considered for funding regardless of their scores. The Application Review Committees recommended funding for 38 projects.

Additional items related to the Year 2 process and outlined in the 2001 -2003 Grant Application included:

- H&CD placed prioritization on the highest unmet needs identified in Consolidated Plan (i.e. neighborhood preservation and filling gaps in the County’s Continuum of Care for the homeless).
- Projects were reviewed and rated exclusively on written submission. Opportunity for “appeals” before the Application Review Committees was also a component of the process.
- New housing construction/acquisition project proposals are addressed separately, since they follow a separate Notice of Funding Availability (NOFA) process.
- All projects were rated in a three-step process based on performance: 1) Staff assessment of project progress; 2) On-site monitoring visits; and 3) Evaluation and scoring by the appropriate ARC.
- Priority status was given to public services applications that filled gaps in the Continuum of Care not filled by SuperNOFA funding or proposals that help preserve neighborhoods.
- A minimum grant amount was established at \$10,000 for all projects.
- Priority status was given to public works projects that focus on preserving neighborhoods.
- Exempt from the competitive process were all of the County’s contractual obligations with specific target area community centers.
- Exempt from the competitive process were Fair Housing and Equal Opportunity related activities mandated by HUD. These items are funded from the Orange County Housing Authority Operating Reserve and Housing Supportive Services (HSS) Funds.
- Exempt from the competitive process was the Cold Weather Shelter Program. Based upon available state and federal emergency assistance funding, this program will be funded through a separate action from HSS funds (\$170,000).
- Per federal regulations, H&CD set-aside 15% of the HOME Partnership Investment Program allocation for H&CD certified Community Housing Development Organizations (CHDO’s).
- Applicants had an appeal process to the H&CD Director. Furthermore, applicants had an additional appeal process at the Board of Supervisors Public Hearings before final adoption of the funding projects.

- Provide \$400,000 of available Operating Reserve funds for Housing Supportive Services (HSS).

### ***Accountability & Performance***

With a change in the term of funding commitments to a multiple year format, the Grant Application Review Process places an even greater emphasis on accountability and performance. The Year 1 Grant Application required that all proposals be accompanied by a summary of the project's past performance in terms of drawing down funds and meeting its proposed accomplishments. In terms of Year 2 funding, the County has continually conveyed to all sub-grantees that assurance of funding for the second year of the multi-year commitment is predicated on the applicant demonstrating to the Application Review Committees (ARC) that the development or progress of their proposal clearly shows that first year funds have been disbursed or committed and that anticipated levels of performance have been met. This approach is consistent with the Board of Supervisors approved Multi-Year Grant Program policies and emphasizes accountability and performance. To assist the ARC in determining funding levels for FY 2002-03, the Housing and Community Development Department crafted a set of procedures designed to capture the level of performance and progress of Year 1 projects requesting continued funding in Year 2. Housing and Community Development staff was involved in a comprehensive and concentrated effort to provide the ARC with the most accurate and up to date information on each sub-grantee's performance level, including materials relating to performance levels associated with prior year contracts with outstanding balances.

The need to determine progress and evaluate performance was amplified by a notice issued by the U.S. Department of Housing and Urban Development (HUD) announcing a new policy relating to timely expenditure of Community Development Block Grant (CDBG) funds. Under the new policy, HUD will reduce future grant amounts by a certain percentage if a grantee's (i.e. the County) balance of its line-of-credit exceeds 1.5 time its annual grant allocation by April 30, 2002. This is the first time in the CDBG history that monetary reductions will be taken from a grantee's future allocation if they do not meet 1.5 draw down rate.

### ***Priority Funding***

A major component of the Consolidated Plan is the assessment of needs by type of activity, affected population, and priority of need. The following chart indicates the high priority needs cited in the Consolidated Plan and the Action Plan 2001-2002 proposed funding within those need areas. Because many projects funded meet overlapping needs, these figures are not exact but approximate funding in these areas. As indicated in **Table I-3** below, all projects within this year's funding recommendations are High Priority needs.

Acquisition, construction and rehabilitation of affordable housing are identified as the highest priority need in the Consolidated Plan. Furthermore, in 2001 the Orange County Board of Supervisors placed affordable housing as one of the County's Top 10 priorities. So strong is their commitment to the development of affordable housing, that approximately \$34.8 Million in General Funds has been committed in the next four (4) years starting Fiscal Year 2002-2003.

Although CDBG and ESG funding for the homeless for outreach assessment, transitional and emergency shelters was significantly enhanced by the more than \$8.7 million in Continuum of Care funding received under the SuperNOFA competition in 2001, County still faces a lack of funding to meet the high priority needs as shown in **Table I-3**.

**TABLE I-3**

<b>High Priority Needs Listed in 2000-2004 Consolidated Plan Federal Funding</b>					
<b>Activity</b>	<b>5 year Plan</b>	<b>2000-2001</b>	<b>2001-2002</b>	<b>2002-2003</b>	<b>Remaining Funds Needed</b>
HOUSING (Rental/Owner)	\$10,341,000	3,885,545	2,190,674	2,581,840	1,682,941
INFRASTRUCTURE	\$9,500,000	1,618,895	793,058	990,890	6,097,157
PUBLIC SERVICES	\$4,300,000	433,560	912,300	1,106,111	1,848,029
SENIOR PROGRAMS	\$600,000	40,000	115,000	281,775	163,225
<b>Total</b>	<b>\$24,741,000</b>	<b>\$5,978,000</b>	<b>\$4,011,032</b>	<b>\$4,960,616</b>	<b>\$9,791,352</b>

*Includes the Metro City of Yorba Linda*

## **Consolidated Plan Update**

### **Multi-Year Grant Allocation Funding**

Fiscal Year 2002-2003 represents the third (3<sup>RD</sup>) year in the overall Five Year Consolidated Plan and the second (Year 2) in the Housing and Community Development Department (H&CD) Multi-Year Grant Process. The multi-year process was first introduced in 2000 through a series of workshops, public notices and letters to the participating cities and target areas within the Urban County, as well as to nonprofit organizations and other governmental entities throughout the County. As was the case during the initial year of the Multi-Year Grant Process, the City of Yorba Linda, a participant in the Urban County Program but classified as a Metro City, did not compete for funding in the application process since HUD reserves their funding separately. However, the City did hold community meetings, received local proposals in compliance with Citizen Participation requirements, and submitted its proposals under the same parameters as all the other applicants. These projects are included in the overall analysis in order to present all funding and proposed projects administered through the County. Detail project descriptions are identified as **Table 3**.

In September 2001, H&CD began developing and implementing the process of assessing the progress of all subrecipients eligible for consideration for Year 2 funding.

### **Lead-Based Paint**

On September 15, 1999, HUD issued the final rule requiring lead-based paint hazard control testing, interim controls and abatement on all housing constructed prior to 1978 and where HUD funds are being used.

An estimated 93,077 housing units within the County's jurisdiction were constructed prior 1978. The County, in a joint effort with 22 Cities, the County Health Department, the State Department of Health Services, Non-Profit Organizations and three Housing Authorities also within Orange County, has taken the lead role in establishing a collaborative by researching Federal and State regulations, hosting workshops and sharing information.

The purpose of the collaboration is to identify and address elevated levels of lead exposure to occupants of structures constructed prior to 1978, develop statistical data, test children, and monitor their environment until the levels of lead are safe. County staff will monitor and provide support to service providers who currently implement various types of home improvement programs funded by the Department of Housing and Urban Development and supplemented by state and local funds. The collaborative will consolidate resources, obtain

economies of scale from service providers, and apply for program funds when funds become available.

During the 2001 SuperNOFA Competition the County of Orange/H&CD, as the lead agency representing the collaborative, applied for \$2.9 Million in Lead Hazard Control Grant Program funds. Funds were available for testing, abatement, relocation and medical follow-up of potential lead based paint hazards. Unfortunately, this application was not successful in receiving funding. Available funds were limited and competition was extremely competitive.

#### **Amendments to Annual Action Plan**

Timely expenditure of HUD funds is a major requirement for participation in the aforementioned federal programs. In accordance with provisions contained in the Citizen Participation Plan, H&CD monitors the progress of funded projects in order to ensure timely expenditures of funds and viability of activities. Unspent funds identified for reprogramming include:

- a) Projects completed for less than the original budget amount;
- b) Projects that have become unfeasible or incompatible; or
- c) Projects not completed within their contract period and the contract period and the contracts have expired.

On June 19, 2001 a public hearing was held before the Orange County Board of Supervisors funds to amend the Consolidated Plan and Fiscal Years 1999-2000 and 2000-2001 Annual Action Plans in order to optimize use of these valuable resources for other eligible activities. Projects to which funds were transferred included existing and new activities, all of which are consistent with the strategies and priorities established in the Consolidated Plan.

On February 5, 2002 a public hearing was held before the Orange County Board of Supervisors to amend Annual Action Plans from Fiscal Years 1997 – 2001. Projects to which funds were transferred included existing and new activities, all of which are consistent with the strategies and priorities established in the Consolidated Plan.

**Table 7** outlines the proposed use of recaptured funds. Although the majority of the reprogrammed funds were redistributed to existing or new projects, approximately \$98,699 in CDBG funds were made available for Annual Review Committee (ARC) consideration for this Year 2 (FY 2002-03) Annual Action Plan. Similarly, an additional \$24,228 in HOME funds and \$9,818 in ESG funds were included in the total amount of funds available for ARC consideration. As a result of ARC recommendations, CDBG and HOME ARC Consideration recapture funds were allocated to County housing rehabilitation projects and ESG ARC Consideration recapture funds were allocated to Year 2 ESG projects.

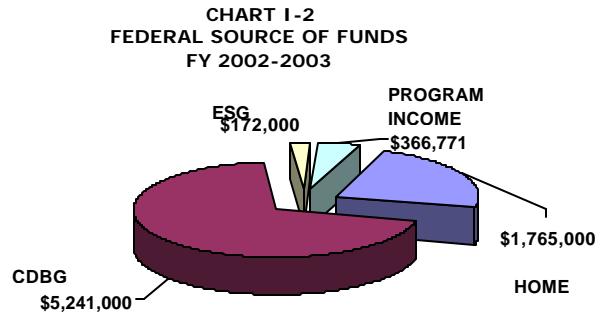
On November 28, 2001 H&CD received notification from HUD that it is enforcing a policy to reduce future CDBG grant amounts if a grantee's line-of-credit balance exceeds 1.5 times their annual allocation by April 30, 2002. The February 5, 2002 Board action, in part, was initiated to address HUD's new policy relating to CDBG timely expenditures.

In addition, in an effort to ensure that the County achieves the mandated 1.5 ratio by April 30<sup>th</sup> of each program year, the County may reallocate funds from H&CD programs which typically take longer to implement (i.e. affordable housing, rehabilitation funds) to projects which can be completed within a 12-month period.

#### **Action Plan**

The Annual Action Plan for the 2002-2003 Program Year presents strategies and proposals that will fully utilize the \$7,544,771 of the new HUD federal allocations identified in **Table I-2** (see Page 2). Further into the document, specific funded activities are outlined. **Table 3** contains a detailed listing, description and proposed accomplishments for each of the projects

recommended for new Federal funds. Federal funding sources and amounts are listed in **Table I-4**. A summary/overview of activities proposed for federal funding is shown in **Table I-5** and estimated revenues and proposed expenditures for Program Income funds are listed in **Table I-6**.



### ***Continuum of Care Homeless Assistance***

In 1998, the County of Orange developed a comprehensive, coordinated and regional Continuum of Care strategy that included the participation of all thirty-one cities (now thirty-two cities) in Orange County, County Agencies, the County's homeless housing and service providers and other community groups (including non-profits, local governmental agencies, faith-based organizations, the homeless and formerly homeless, as well as interested business leaders) to identify the gaps and unmet needs of the County's homeless. To facilitate their mission, the Orange County Continuum of Care Steering Committee and the Leadership Cabinet were formed. This grassroots, community-based effort, in conjunction with a comprehensive needs assessment, resulted in the development of funding priorities aimed to serve the most pressing, unmet needs of the homeless in Orange County.

Due to the formation of the Continuum of Care System and the continual effort of the participating parties, the County has successfully been funded during the 1998, 1999 and 2000 SuperNOFA Continuum of Care Homeless Assistance Grant competitions. The 2001 SuperNOFA award of \$8.7 million was the largest SuperNOFA Continuum of Care Homeless Assistance grant award for Orange County since its inception in 1996.

### ***Reuse of Military Bases***

The FY 2001-2001 Annual Action Plan addressed the closure and redevelopment of the two military facilities in Orange County: Marine Corps Air Station (MCAS) El Toro, and Marine Corps Air Station Tustin. The Federal government has designated the Board of Supervisors as the Local Redevelopment Authority (LRA) for the reuse of MCAS-El Toro and the City of Tustin (a CDBG entitlement City) as the LRA for MCAS Tustin. Each LRA is given the responsibility for planning the reuse and redevelopment of the closing military facility.

In December 1996, the Board of Supervisors adopted a Community Reuse Plan (CRP) that proposed a commercial aviation use along with compatible non-aviation uses for the MCAS-El Toro. The CRP includes an analysis of negative impacts on the local economy of the closure of the base:

- A loss of 1,750 base jobs
- A loss of 4,000 off-base jobs

- An estimated loss of 35,000 jobs through the cumulative effect of base closures

Along with the CRP, the Board also adopted a Homeless Assistance Submission (HAS). The HAS includes the Homeless Assistance Plan set forth by the LRA with a provision of real and personal property for homeless service providers requesting assistance through the base closure process. These providers proposed several programs to increase the County's continuum of care system (i.e. transitional housing, job training, childcare, food distribution, family resource center and children's emergency shelter).

The reuse planning process for MCAS El Toro is ongoing. The MCAS El Toro closed in 1999 and planning for its future uses continues.

There was a measure on the local ballot (i.e. Measure W) that would rezone the former El Toro base for non-airport uses and essentially eliminate the possibility of a regional commercial airport at the site. Orange County residents approved the measure during the March 5, 2002 primaries.

### ***Monitoring/Compliance***

H&CD has continued to refine its monitoring activities with new emphasis on documenting and measuring performance and accomplishments. On-site visits to subrecipients and project locations have increased and standardization has enhanced the accuracy of documentation.

The following Subrecipient Monitoring Plan was originally approved in November 1998. This procedure established policies and procedures for administering a comprehensive monitoring strategy by detailing roles and responsibilities to the various divisions and sections within the Department and also the responsibilities and expectations of the subrecipients in terms of record keeping and reporting. The Plan includes Department goals and general policies and procedures for general oversight and in-house review, on-site monitoring visits, and monitoring follow-up by the Department. It includes record keeping checklists, monitoring visit worksheets and regulation excerpts to assist the monitoring team in conducting a comprehensive evaluation of the agency being monitored.

#### **MONITORING COMPLIANCE PLAN**

*The New Monitoring Plan was effective during the Fiscal Year 2000-2001 contracts. Starting July 1, 2000 besides regular site visits to provide technical assistance to subrecipients, all projects/programs funded by H&CD are to be officially monitored at least 3 times per fiscal year as follows:*

- *As soon as a contract is executed Project Leaders shall meet with subrecipient staff to perform contract review, point out contract requirements (including, but not limited to, compliance issues such as Labor Standards, Davis-Bacon, Lead-based Paint, Payment process based on performance, Grantee Performance Report (GPR), Insurance compliance, Extension deadlines) and levels of accomplishment set forth in the contract, clarifying any items/issues pertaining to contract and answer subrecipient's questions on program requirement and procedures.*

- **1) August-September: Performance Monitoring**

*Project Leader shall perform his/her 1<sup>st</sup> monitoring on site to:*

- *Set up milestones for accomplishment with subrecipient*
- *Set up monitoring schedule at this time and specify required documentation*
- *Take before and after photos for file documentation*
- *Inform subrecipient that payment will be based on project performance*

- Review contract requirements, performance and accomplishments requirements with subrecipient
- Provide technical assistance/suggestions for improvement
- Identify problems or concerns and recommend solutions to subrecipient
- Review all requests for payment based on subrecipient's performance

• **2) December-February: Compliance Monitoring**

Project Leader shall perform a 2nd monitoring at this time to:

- Review subrecipient's compliance with contract requirements.
  - a) Is subrecipient meeting all contractual special Federal requirements?
  - b) Is subrecipient performing adequately, meeting milestones?
  - c) Are activities/expenditures eligible?
  - d) Are activities documented? Records available to justify expenditures?
  - e) Is there a timely expenditure of funds?
- Provide technical assistance/suggestions and/or solutions to problems
- Complete Monitoring Forms with report letter to subrecipient informing subrecipient of monitoring results, citing findings, concerns and suggestions.
- Prepare written report to Section Chief on status of project/program with recommendations, if applicable.

• **3) May-June: Exit Monitoring**

This is the last monitoring before project/program is closed out. Project Leader shall:

- Verify that all contractual special Federal requirements have been met
- Verify and certify that contract goals are met by contract deadline
- Verify that required record keeping by subrecipient is adequate for future H&CD and HUD audits
- Remind subrecipients to submit their requests for payments before deadline
- Process all requests for payment before project close-out

**Project Close-Out Statement.**

- After payment deadline is reached and all subrecipient' requests for payments are processed, Project Leader shall prepare written report to Section Chief requesting to close out project with request to transfer unspent funds to H&CD "surplus accounts".
- Project Leader shall certify that project is completed and review project files for completeness, arrange for documents to be filed under appropriate covers and securely store project file in appropriate filing cabinets per fiscal year and type of subrecipients (cities, non-profits...)
- Project Leader will confirm all Accomplishment and all data required by HUD Integrated Disbursement and Information System (IDIS) and with H&CD Accounting Unit to officially close the project file.

**Note:** In addition to the above 3 required monitorings, Project Leaders shall conduct site visits to provide technical assistance at the request of subrecipients or as often as necessary to ensure successful completion of the projects.

**Fair Housing Requirements**

Equal access to residential housing is a fundamental right that must be maintained and monitored to the greatest extent possible. Consistent with program requirements, the County



has had a long term association with the Fair Housing Council of Orange County and incorporates that agency's services in its overall strategy of regional fair housing planning and coordination.

The County of Orange, in partnership with 30 incorporated Cities, collaborated with the Fair Housing Council of Orange County (FHCOC) to produce the Year 2000 Update of the Orange County Regional Analysis of Impediments to Fair Housing Choice Report. Included in the list of participating cities are 17 small cities who, through the execution of multi-year cooperative agreements, are part of the Urban County and 13 larger entitlement cities.

The required study identified impediments to fair housing and also recommended actions to take to overcome the effects of these impediments. The County's primary fair housing contractor is the FHCOC. The Fair Housing Council of Orange County administers the local fair housing enforcement program and monitors all actions taken, as well as the results of actions taken, to overcome or eliminate recognized fair housing impediments. Data contained within the 2000 Update Report is based largely on 1990 Census Data. As 2000 Census Data becomes available, new studies will eventually be essential.

**Impediments identified in the 2000 Update include the following:**

1. Lending Practices

Analysis does not necessarily conclude that current lending practices across the Orange County region are a direct impediment to fair housing, however, it is evident that the region has not maintained a proactive position in monitoring the fair lending practices. Efforts have been limited to partnerships with local universities and colleges to develop studies of available Home Mortgage Disclosure Act (HMDA) data. The end result of these studies have not had the desired effect of addressing or eliminating possible disparities by race and national origin as evidenced by the HMDA data.

2. Insuring Practices

Data analyzed may suggest that insurance companies may be targeting certain zip codes for higher rates of denial or different terms and conditions. The 2000 Update stated that, "this issue was beyond the scope of this AI, and as such, no verifiable evidence of differential treatment exists."

3. Outreach and Education

Local jurisdictions within the Orange County region lack a formal or consistent fair housing education system designed to educate administrators and policy planners whose position of employment may impact or affect fair housing issues, such as: planning and zoning; public housing authority policies; code enforcement.

On another front, recent migration populations may not have adequate information available regarding their basic housing rights, which could potentially lead to increased opportunities for unfair practices to go unnoticed.

4. Public Policies/Programs

It is common for local jurisdictions to prepare their long range planning, development and enforcement strategies in an independent manner. This has had the effect of the Orange County region having many distinct policies and programs that may be inconsistent with one another and thus affect the development of a comprehensive plan that affirmatively furthers fair housing on a regional basis.

**Recommendations designed to address the aforementioned impediments are as follows:**

1. Lending Practices

Each local jurisdiction should make efforts to study the available Home Mortgage Disclosure Act (HMDA) data closer to determine the appropriate course of action, if any, that is necessary to ensure that the legal, standardized lending practices are being followed. This can be done individually or in association with their local fair housing provider or other outside consultant.

2. Insuring Practices

Local jurisdictions may choose to conduct an audit of local insurance carriers to determine if this is a problem, and if so, isolate the basis for the higher denial rates.

3. Outreach and Education

Local jurisdictions should seriously consider implementing policies that require all employees whose position (regardless of classification) may impact local and regional fair housing issues, to receive formal fair housing training on an annual basis.

With regard to the growing numbers of the migration population, local governments should provide education and outreach to service organizations that specifically assist new immigration populations. This outreach should consist of educational opportunities as well as written information to educate staff members and to provide same to their clients.

4. Public Policies/Programs

Local governments should continue to monitor and review their local policies and programs in regard to fair housing concerns. All jurisdictions should consider requiring all potential recipients of government funding (i.e. local/state/federal) for housing related programs to assist the jurisdiction to affirmatively further fair housing. It may be of benefit for each jurisdiction to view their policies and programs as a piece of the larger, regional landscape.

The Orange County region has a well established and effective private fair housing council that has provided dynamic and comprehensive educational and enforcement programs to the local jurisdictions it serves. This example of public-private partnership continues to be a model for other areas and is considered one of the best in the nation. The County of Orange, like all other local jurisdictions, continues to support and operate fair housing services at their present level of effectiveness and responsiveness.

**FEDERAL RESOURCES: 24CFR §91.220 (b)(1)**

Federal Programs provide a majority of the resources used by the County of Orange for housing and community development activities. **Table I-4** below identifies the Urban County's FY 2002-2003 request for new HUD funds totaling \$6,866,000 for the CDBG, ESG and HOME programs (excluding the Metro City of Yorba Linda's \$312,000 in CDBG funds). In addition, approximately \$366,771 in Program Income is anticipated during FY 2002-2003, for a total of \$7,232,771 in Federal funds. If the Metro City of Yorba Linda's allocation of \$312,000 (100% CDBG) is added, the County's anticipated overall grand total will be approximately \$7,544,771.

**TABLE I-4  
Housing and Community Development  
FEDERAL FUNDS  
FY 2002-2003**

<b>FEDERAL PROGRAMS</b>	<b>FUNDS REQUESTED</b>
CDBG	\$4,929,000
HOME	1,765,000
ESG	172,000
Program Income	<u>366,771</u>
<b>TOTAL</b>	<b>\$7,232,771</b>

*Excludes the City of Yorba Linda's allocation of \$312,000 in CDBG funds.*

The above federal funding sources are briefly described below.

***Community Development Block Grant (CDBG)***

The County of Orange receives these funds due to its entitlement status as an Urban County. The appropriation amount is determined by a statutory formula developed by HUD. CDBG funds may be used for eligible activities including: neighborhood revitalization, economic development, improvement of community facilities, and various housing and supportive services designed to aid very low, low, and moderate -income persons.

***Home Investment Partnership Program (HOME)***

HOME is a grant program also based on a HUD formula and its focus is to improve and/or to expand the affordable housing stock. HOME funds may be used for eligible activities that include rehabilitation, new construction, acquisition, homebuyer assistance, and tenant-based assistance.

A twenty-five percent (25%) match is required under the HOME Program. Participating Cities and the Housing and Community Development Department use local redevelopment funds and other non-Federal funds to comply with the match requirement. It is anticipated that the County will meet and exceed the match for grant funding in FY 2002-2003. Community Housing Development Organizations (CHDOs) receive HOME funds as partial financing for their projects. These CHDO set-aside funds account for fifteen percent (15%) of the total HOME Program allocation. Along with the County or cities, CHDOs typically use other financing options such as private loans and local cities' redevelopment funds to meet the match requirement to produce low and moderate -income housing.

### **Emergency Shelter Grants (ESG)**

ESG funds are awarded to grantees in proportion to the previous year's CDBG allocation. This grant program is designed to improve the quality of existing emergency shelters and increase the number of shelters for the homeless. A one hundred percent (100%) match is required for these funds. Eligible uses include renovation, conversion of buildings, rehabilitation, and operating costs. Other eligible activities are limited to a proportion of the total grant. Only 30% of the grant can be used for essential services and homeless prevention and staff costs for operations are limited to 10% of the grant.

To ensure compliance with match requirements, the County requires verification of matching funds by service providers who submit documentation for reimbursement of expenditures. Service providers usually solicit and provide matching funds through private donations, fundraisers, foundations, and United Way grants.

### **ACTIVITIES TO BE UNDERTAKEN WITH FEDERAL FUNDS 24CFR§91.220 (c)**

#### **General Overview (Federal funds)**

**Table I-5** below summarizes the proposed use of new federal funding (i.e. does not include recaptured prior year funds) allocations by type of eligible activity. As indicated previously, this table demonstrates that CDBG funds will be used for the broadest range of activities while HOME funds will be used for permanent and transitional housing projects. ESG funds are limited for use in emergency or transitional housing or related services.

<b>TABLE I-5 COUNTY OF ORANGE SUMMARY OF RECOMMENDATIONS FOR FY 2002-2003 FEDERAL FUNDS</b>				
<b><u>ACTIVITY</u></b>	<b><u>CDBG</u></b>	<b><u>ESG</u></b>	<b><u>HOME</u></b>	<b><u>PROGRAM INCOME</u></b>
Acquisition/New Housing Development	\$1,153,422	\$ 0	\$1,141,772	\$ 0
Public Facilities & Improvements	\$ 824,440	\$ 0	\$ 0	\$ 0
Public Services*	\$ 739,350	\$154,800	\$ 0	\$ 17,500
Housing Rehabilitation (owner)	\$ 679,444	\$ 0	\$ 201,408	\$ 298,471
Commercial Rehabilitation	\$ 0	\$ 0	\$ 0	\$ 0
Subtotal Project Funds	\$ 3,396,656	\$154,800	\$1,343,180	\$ 315,971
Administration/Planning**	\$ 1,017,000	\$ 0	\$ 176,500	\$ 0
<b>TOTAL RECOMMENDATIONS</b>	<b>\$4,413,656</b>	<b>\$154,800</b>	<b>\$1,519,680</b>	<b>\$ 315,971</b>

*Does not include Direct Project Costs*

*\*CDBG Public Services Figure Based on County's Allocation (\$4,929,000) which excludes City of Yorba Linda*

*\*\*Includes 10% CDBG Administration from City of Yorba Linda's Allocation*

#### **Acquisition Activities and New Housing Development**

A total of \$2,295,194 in combined CDBG and HOME funds is recommended for acquisition/new housing activities to develop and provide affordable housing for low-income households.

#### **Economic Development**

In Year 1 (Fiscal Year 2001-02) the County dedicated a total of \$108,074 for economic enhancement activities. Two projects were awarded CDBG funding. During the assessment of those two activities it became evident that neither project achieved a favorable level of performance accomplishment and the ARC recommended that no additional funding be awarded for FY 2002-03.

Furthermore, the Board approved 5% allocation that was to be appropriated to Economic Development activities will be amended and reallocated to Housing Rehabilitation activities.

**Administration**

The County of Orange and the Metro City of Yorba Linda will use these funds for administration of the CDBG and HOME Programs in compliance with HUD regulations. Primary responsibilities include preparation of the Annual Action Plan, compliance monitoring – including documentation of environmental and labor standards, and performance reporting to HUD..

**Public Facilities and Improvements**

The County of Orange is requesting approximately \$824,440 in new CDBG funding for six (6) public facilities and improvement projects. Five (5) projects will be done in participating cities and one (1) will rehabilitate a homeless shelter facility.

**Public Services**

New CDBG and ESG funding in the amounts \$739,350 and \$154,000, respectively, have been dedicated for nineteen (19) public services activities including emergency shelter activities and Midway City Community Center operations (low-income target area community center). In addition, the County has recommended \$400,000 in HSS funding for eleven (11) other public services related projects, including fair housing counseling services and the Cold Weather Shelter Program.

The combined new CDBG, ESG and HSS funds, provides a combined total of \$1,294,150 in Federal and local funds for homeless and public service activities in Fiscal Year 2002-2003. (This figure excludes 10% direct costs allotted to ESG projects.)

**Rehabilitation Activities**

A total of \$1,179,323 in new CDBG, HOME and Program Income funding is requested for six (6) residential rehabilitation activities to be provided by participating cities, the County, and one (1) nonprofit organization. The City of Brea will use funds for single-family rehabilitation and the City of San Clemente will use its allocation for both single family and multi-family rehabilitation. Rebuilding Together Orange County (nonprofit) will use funds to provide residential rehabilitation, targeting the elderly and those with disabilities, within the County's target areas.

The County will continue with a program for single-family rehabilitation of homes in the unincorporated areas and the participating cities that do not provide a rehabilitation program of their own.

**HUD Table 3** represents the full array of funded projects and activities proposed for Program Year 2002-2003 using CDBG, HOME, and ESG funds. It includes the listing of proposed projects, specific project descriptions, recommended federal funding allocations, anticipated accomplishments, and national objective citations. Projects in **HUD Table 3** are listed in alphabetical order by organization.

The County does not apply for Housing Opportunities for Persons with AIDS (HOPWA) through this Annual Action Plan since those funds are awarded to the largest jurisdiction in the County, which is the City of Santa Ana.

***Program Income Reinvestment Of Federal Funds***

The County of Orange has been involved in allocating CDBG and HOME-based loans since the inception of those HUD programs. During that period, the County has seen its program gradually receive a positive return on its loan transactions resulting in the accrual of income. Referred to as Program Income, these funds are reinvested into the same overall activities that generated the income because Program Income must be spent before newly allocated funds are used. The proposed expenditures are listed in **Table I-6**.

**Table I-6  
County of Orange  
Estimated Program Income  
FY 2002-2003 FUNDS**

<b>Proposed Activity</b>	<b>Amount</b>
County Neighborhood Preservation(Rehabilitation)	\$298,471
El Modena Community Center	\$ 10,800
Midway City Community Center	\$ 40,000
Anaheim Independencia Community Center	<u>\$ 17,500</u>
<b>Total Estimated Program Income</b>	<b>\$366,771</b>

Program Income will be reinvested in federally eligible activities as detailed in the tables following this section. The County will use Program Income funds for residential rehabilitation and other allowable activities as such funds become available. The community centers will use the funds for operational expenses. **Table 4** provide project descriptions and anticipated accomplishments for these funds. These tables are printed on colored paper at the back of the document.

### ***Reinvestment Of Recaptured Federal Funds***

On February 5, 2002 the Orange County Board of Supervisors approved a proposal submitted by the Housing and Community Development Department to amend Annual Action Plans from Fiscal Years 1997 – 2001 to recapture and reprogram unspent federal funds from completed or cancelled projects. A majority of the \$895,372 recaptured was reprogrammed into existing projects. Of the total CDBG funds recaptured, approximately \$101,982 was made available for ARC consideration for this Year 2 (FY 2002-03) Annual Action Plan. Similarly, an additional \$24,228 in HOME funds and \$9,818 in ESG funds were included in the total amount of funds available for ARC consideration.

The following **Table I-7** describes which activities and projects the recaptured funds were reprogrammed into.

**Table I-7  
County of Orange  
Proposed Use of Recaptured Funds  
Through Amendment**

<b>Project Description</b>	<b>Activity</b>	<b>Amount</b>
<b><u>CDBG</u></b>		
City of Los Alamitos Alley Improvements	Public Facility Improvement	\$ 75,565
El Modena Community Center Repairs	Public Facility Improvement	55,000
Anaheim Independencia Center Repairs	Public Facility Improvement	55,000
County Neighborhood Preservation Program	Housing Rehabilitation	296,932
County Administered City of Placentia Rehab	Housing Rehabilitation	85,221
City of Los Alamitos Alley Improvements	Public Facility Improvement	71,458
City of Yorba Linda (Metro City)	-----	37,052
Recaptured CDBG ARC Consideration	Public Facility Improvement	101,982
<b>Total Recaptured CDBG</b>		<b>\$778,210</b>
<b><u>HOME</u></b>		
County Administered City of Placentia Rehab	Housing Rehabilitation	\$ 83,115
Recaptured HOME ARC Consideration	Housing Rehabilitation	24,228
<b>Total Recaptured HOME</b>		<b>\$107,343</b>
<b><u>ESG</u></b>		
Recaptured ESG ARC Consideration	Public Services	\$ 9,818
<b>Total Recaptured ESG</b>		<b>\$ 9,818</b>
<b><u>TOTAL RECAPTURED FUNDS</u></b>		<b>\$895,371</b>

# **CHART I-3** **PROPOSED PROJECTS USE OF NEW FEDERAL FUNDS**

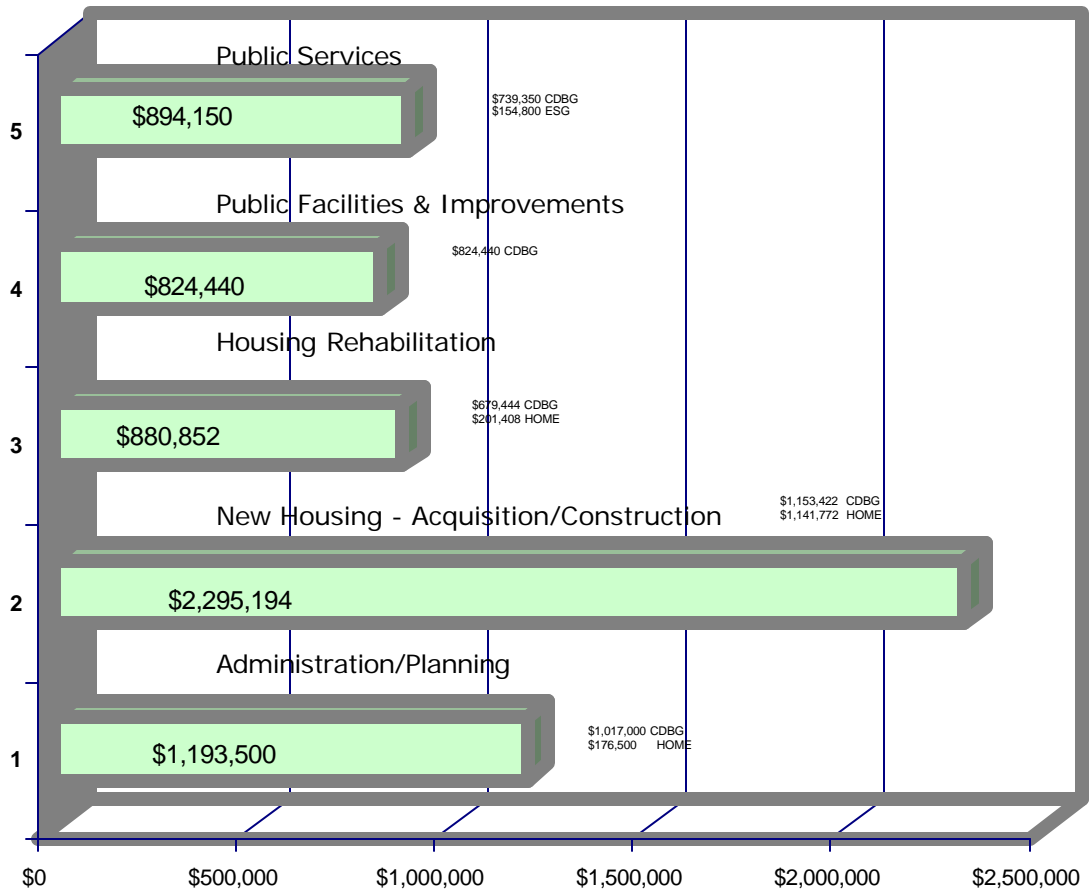


Chart I-3 Does not include Direct Project Costs



**COUNTY OF ORANGE HOUSING AND COMMUNITY DEVELOPMENT DEPARTMENT  
TABLE 3: Projects Recommended for Federal Funding  
Fiscal Year 2002-2003**

<b>Page No.</b>	<b>Name of Organization</b>	<b>Project Title</b>
1.	Acacia Adult Day Care	Community Outreach
2.	City of Brea	Family Resource Center
3.	City of Brea	Single Family Housing Rehabilitation
4.	City of Laguna Beach	Emergency Cold Weather Shelter
5.	City of Los Alamitos	Old Town West/Drainage Improvements
6.	City of Los Alamitos	Old Town West/East/Alley/Streetlights
7.	City of San Clemente	Neighborhood Pride Escalones
8.	City of San Clemente	Single Family Rehabilitation
9.	City of San Clemente	Multi-Family Housing Rehabilitation
10.	City of Stanton	Street Improvements Program
11.	City of Stanton	Infrastructure Improvement Program
12.	City of Yorba Linda	ADA Compliance
13.	City of Yorba Linda	City Administrative Costs
14.	City of Yorba Linda	County Administrative Costs
15.	City of Yorba Linda	Neighborhood Improvement Program
16.	City of Yorba Linda	Neighborhood Rehabilitation/Seniors-Disabled
17.	City of Yorba Linda	Senior Nutrition Program
18.	City of Yorba Linda	Town Center Relocation
19.	Council on Aging	Ombudsman Service
20.	County of Orange/H&CD	Affordable Housing Development (HOME)
21.	County of Orange/H&CD	Affordable Housing Development (CDBG)
22.	County of Orange/H&CD	CHDO Set-Aside
23.	County of Orange/ H&CD	H&CD Administration CDBG Program
24.	County of Orange/ H&CD	H&CD Administration HOME Program
25.	Fullerton Interfaith Emerg. Shelter	New Vista Transitional Homeless Family Shelter
26.	Families Forward	Prevention Program. & Permanent Housing Support
27.	Friendship Shelter Inc.	Emergency Shelter
28.	Interval House	Bridging Age Gap: Elderly & Youth
29.	Laura's House	Emergency Shelter/Victims of Domestic Violence
30.	Mental Health Assoc. of O.C.	Forward Steps Project
31.	Mercy House Trans. Living Center	Joseph and Regina House
32.	Midway City Community Org.	Community Center Operations
33.	OC Interfaith Shelter (OCIS)	Homeless Emergency Shelter Program
34.	OC Child & Parents Together	Family Service Advocate
35.	Rebuilding Together OC	2002-2003 Rebuilding Project
36.	Shelter for the Homeless	Housing Services: Ladders to Success Expansion
37.	SPIN	Continuum of Care (Lead Agency)
38.	Senior Meals and Services	Affordable Housing & Nutrition Services/Elderly
39.	Thomas House	Homeless Family Shelter
40.	WTLC	Transitional Housing Program
41.	Women Helping Women	Women Helping Women

**COUNTY OF ORANGE HOUSING AND COMMUNITY DEVELOPMENT DEPARTMENT**  
**TABLE 3A: Projects Recommended for Federal Funding - SUPPLEMENT**  
**Fiscal Year 2002-2003**

<b><u>Page No.</u></b>	<b>Name of Organization</b>	<b>Project Title</b>
1.	County of Orange/H&CD	Neighborhood Preservation Loan Program (HOME)
2.	County of Orange/H&CD	Neighborhood Preservation Loan Program (CDBG)

**COUNTY OF ORANGE HOUSING AND COMMUNITY DEVELOPMENT DEPARTMENT**  
**TABLE 4: Projects Recommended for Funding with Program Income**  
**Fiscal Year 2002-2003**

<b><u>Page No.</u></b>	<b>Name of Organization</b>	<b>Project Title</b>
1.	County of Orange	Neighborhood Preservation Program Rehabilitation Loan Program (HOME)
2.	County of Orange	Neighborhood Preservation Program Rehabilitation Grant Program (CDBG)
3.	OC Development Council	El Modena Community Center
4.	Midway City Community Organization	Midway City Community Center
5.	County of Orange	Neighborhood Preservation Program Rehabilitation Grant Program (HOME)
6.	Anaheim Independencia Community Center	AICC Community Center

**LOCAL RESOURCES: 24CFR §91.220 (b)(2)**

***Redevelopment Funds (NDAPP)***

Several participating cities and city redevelopment agencies are involved in joint, coordinated funding projects, using their respective redevelopment funds for providing affordable housing programs in conjunction with the County's resources described above. In 1992, additional bonds were sold to continue funding of the Neighborhood Development and Preservation Project (NDAPP). The County's bankruptcy in December 1994 has impacted the availability of NDAPP funds and funding availability for Fiscal Year 2002-2003. This has resulted in less funding amounts available.

In 1988, the Orange County Development Agency adopted NDAPP, which produced revenues through the sale of revenue bonds and through the implementation of a tax increment-financing plan. These funds traditionally have been used for activities that support and leverage other projects undertaken with Federal funds. With the previous reorganization within the County, budget management for NDAPP funds has been transferred to the County Executive Office (CEO). Project management continues to be under the Housing and Community Development Department (H&CD) control.

***Orange County Housing Authority Operating Reserve Funds, including Housing Support Services***

Rental housing assistance is the primary responsibility of the Housing Assistance Division. Referred to as the Orange County Housing Authority (OCHA), this division administers the Section 8 Rental Assistance and Housing Voucher Programs under an Annual Contributions Contract with HUD. The County receives administrative fees for the cost of administering these programs and HUD regulations allow administrative savings to be placed in an account called the Operating Reserves Fund. This fund is required to be available for potential overruns in the operation of the rental assistance program.

Operating reserve funds have been used over the past thirteen years to increase the supply of affordable housing according to a locally developed strategy by leveraging the financing of new, affordable housing projects for elderly persons, handicapped persons, low-income families, and to develop single room occupancy (SRO's) units. These funds are available for affordable housing development. In addition, these funds are also used for Housing Support Services (HSS).

In order to facilitate the use of potential HSS funds, the Application Review Committee developed a priority list of ten (10) housing-related public service projects for use of HSS funds. This list is presented in **Table I-9**.

**ACTIVITIES TO BE UNDERTAKEN WITH LOCAL NONFEDERAL RESOURCES**

The County of Orange has traditionally supplemented its allocations of Federal HUD funds with locally generated funds to help meet the needs of the low and moderate-income residents of Orange County. These two primary sources of local non-Federal funds available to the County, as identified earlier, are the Neighborhood Development and Preservation Project (NDAPP) and Housing Support Services (HSS) Program. Although the amount of funding available from NDAPP for the 2002-2003 Fiscal Year has not been finalized at this time, the following estimates are presented.

***NDAPP***

As a result of a bankruptcy recovery agreement, NDAPP began losing approximately \$2 million of the funds originally targeted for housing and community development activities annually.

This loss will continue for approximately 20 years. Consequently, H&CD has had fewer NDAPP funds available for allocation to projects and less flexibility in the use of remaining funds.

As indicated, the amount of NDAPP funding available for Fiscal Year 2002-2003 is estimated to be a total \$5,155,747 (for housing rehabilitation, public works and affordable housing development projects) and will be subject to reconsideration based on the level of funding made available.

Currently there are three (3) Board approved OCDA affordable housing projects: Mendocino at Talega, Laurel Glen at Ladera and Jackson Aisle at Midway City. These affordable housing allocations are not included in **Table I-8**. These allocations reflect the high priority need within Orange County for affordable housing, as identified by the Affordable Housing Strategy and approved by the County Board of Supervisors on May 4, 1999.

<b>TABLE I-8 COUNTY OF ORANGE PROJECTS RECOMMENDED FOR LOCAL FUNDING FY 2002-2003 FUNDS</b>			
<b>Projects Recommended for NDAPP (Redevelopment) Funding</b>			
<b>Applicant</b>	<b>Project</b>	<b>Amount</b>	
1 County of Orange/H&CD	Single Family Owner/Rental Rehabilitation	\$144,647	
2 County of Orange/H&CD	Complex Housing Rehabilitation	\$550,000	
3 County of Orange/H&CD	Chapman/Nearing Signal Light	\$165,000	
4 County of Orange/H&CD	Cypress Acres	\$275,000	
5 County of Orange/H&CD	Infrastructure	\$841,615	
6 County of Orange/H&CD	West Anaheim Sidewalk	\$72,997	
7 County of Orange/H&CD	El Modena Alley	\$198,000	
8 County of Orange/H&CD	Olive Heights Alley	\$275,000	
9 County of Orange/H&CD	Sewer Improvements	\$165,000	
10 County of Orange/H&CD	Water Improvements	\$165,000	
11 County of Orange/H&CD	Neighborhood Preservation Program	\$1,138,500	
12 County of Orange/H&CD	Affordable Housing	<u>\$1,164,988</u>	
<b>Recommended NDAPP Total:</b>		<b>\$5,155,747</b>	

*\*Subject to Board of Supervisors approval of program*

### ***Leveraging Opportunities***

The County has maintained its efforts to seek out and encourage participation in activities with the private sector and nonprofit organizations to leverage federal, state and local funding. A well-planned continuum of care for the homeless has already been created, which is funded with SuperNOFA and Emergency Shelter Grants funds. The County can leverage HUD Section 202 and 811 funds, in conjunction with non-profits sponsors, to expand the supply of housing tailored to senior and special needs populations.

In an attempt to facilitate more public/private partnerships, the County has worked with developers and participating cities to leverage all available resources for development of new affordable rental units whenever possible. Resources used include bond financing, low-income housing tax credits, State of California Multi-Family Housing Program, Conventional financing, Federal Home Loan Affordable Housing Program grants, FHA Title 1 Home Improvement Loans and density bonuses.

The County has historically fostered economic development opportunities by supporting funding for Community Based Development Organizations, cities and other groups to provide training and employment opportunities. To address this issue, the County partnered with the Orange County Business Council (OCBC) to prepare the Orange County Economic Development Assessment. In September 1999, the final strategic assessment was prepared. In this document, specific recommendations and strategic initiatives were presented that aim to meet the goals of the County and the needs of Orange County economy as a whole. Key strategic initiatives, which are applicable to the 2000-2004 Consolidated Plan, include:

- Support incubators that meet the needs of the regional economy
- Target at least one existing or new affordable housing program to sectors where there is a critical lack of employees

### ***Matching Requirements***

Nonprofit organizations and other subrecipients generally contribute substantial financial resources to projects funded with CDBG, HOME and ESG funds. Private contributions, fundraisers, and other local resources often comprise the majority of funding for public service projects recommended for these Federal funds. Redevelopment funds, fee reductions and other monetary or in-kind incentives are usually used to match Federal funds for rehabilitation or new construction.

<b>TABLE I-9 COUNTY OF ORANGE PROJECTS RECOMMENDED FOR LOCAL FUNDING FY 2002-2003 FUNDS HOUSING SUPPORTIVE SERVICES (HSS) FUNDING</b>		
<b>Applicant</b>	<b>Project</b>	<b>Amount</b>
CSP Youth Shelter	Aftercare Mentor Support Program	\$22,500
WTLC	Transitional Housing Program	\$ 5,000
YWCA of Central Orange County	Transitional Housing Emancipated Female Youth	\$23,500
Laurel House, Inc.	Youth Shelter	\$20,776
H.O.M.E.S., Inc.	Housing Support Program	\$12,500
Saddleback Community Outreach	Rental Assistance	\$25,000
Orange Coast Interfaith Shelter	Homeless Shelter Transitional Program	\$30,000
OC Youth and Family Services	El Modena Transitional Family Shelter	\$10,000
County of Orange/H&CD	Cold Weather Armory Emergency Shelter Program	\$170,000
Fair Housing Council of Orange County	Fair Housing Services/Housing Counseling	\$80,724
		<b>HSS Total: \$400,000</b>

### ***Objectives Of The Action Plan***

The Fiscal Year 2002-2003 Annual Action Plan presents the Housing and Community Development Department's proposed use of federal and local funds as recommended by the Application Review Committees (ARC). This Action Plan is consistent with strategies set forth in the adopted Consolidated Plan for Fiscal Years 2000-2004. Projects recommended for funding were selected from requests submitted by cities, County target areas, nonprofit organizations, and County agencies. Recommendations contained in this Plan are consistent with the Multi-Year Grant Funding Allocation Process and Citizen Participation Plan and application review and rating procedures approved by the Board of Supervisors on August 8, 2000.

**Chart I-3** shows the distribution of funding by activities. Consistent with policy as identified in the Affordable Housing Strategy, this chart shows the largest allocation of funds to acquisition and construction of new housing.

## ***GEOGRAPHIC DISTRIBUTION: 24CFR §91.220(d)***

The Urban County community includes participating cities (population less than 50,000) and unincorporated target areas of the County. The following more specifically defines the Urban County:

### ***Cities***

Aliso Viejo, Brea, Cypress, Dana Point, Laguna Beach, Laguna Hills, Laguna Woods, La Palma, Los Alamitos, Placentia, Rancho Santa Margarita, San Clemente, Seal Beach, Stanton, Villa Park and Yorba Linda.

### ***Unincorporated Target Areas***

Listed below are the designated Urban County target areas:

Anaheim Island, Back Bay, Colonia Independencia, El Modena, Inter-Canyons, Mac Island, Midway City, Northeast El Modena, Olive Island, Rustic Lane, Sherwood Forest, Southwest Anaheim, and West Anaheim.

NDAPP includes all the areas listed above, including West Garden Grove and Cypress Islands for which Orange County Development Agency (OCDA) retains redevelopment responsibilities even though they have been annexed into cities.

Orange County is California's second most populous county with over 2.8 million residents, according to 2000 Census figures. Generally, the community is urban and, with few exceptions, the entire area within the Urban County is fully developed. Orange County's growth is out-pacing the national average, requiring more and more housing for new County households. There are, however, distinct differences found between the various areas of Orange County that highlight some of the root causes of the housing imbalance. Within the northern and western portions of Orange County are many concentrations of declining multifamily and single family housing stock. This is due to the older age of the buildings and often poor initial construction quality. In addition, these communities have undergone numerous social and economic changes. Although community facilities and services have been in place for years, they most likely are undersized or are in need of some improvement. Much of the housing stock will soon need to undergo some improvements as well. Streets, curbs, sidewalks, water lines, sewer lines and storm drain systems as well as the housing units are all showing the effects of many years of use. By contrast, the southern and eastern portions of the County are still undergoing development with urban expansion. Most communities are newer and have been designed under more current standards and guidelines. There are pockets of older communities needing upgrades and improvements; however, their numbers are small compared to the northern and western portions.

The County recognizes affordable housing is a regional consideration as well as an important County priority. Affordable housing is essential to preserving the quality of life in Orange County. Given the size of the challenge, resources are limited. However, in view of the above, most of the Federal funds will be expended by subrecipients within the older sectors of the County. Some activities such as housing rehabilitation, public facilities and improvements will predominate in certain areas because of greater demand. Other activities such as public services and new housing development will occur throughout the jurisdiction. The County will focus its public improvement activities for "area-wide" benefits to assist neighborhoods of low and moderate-income populations. Under HUD's exception criteria for the County, census tracts in which 35.3% or more residents meet HUD's income guidelines as "low or moderate income" qualify an area for such activities.

The City of Yorba Linda has elected to remain within the Urban County program rather than administer independent programs as an entitlement city.



Maps depicting the urban county unincorporated target areas appear in the appendix of this document.

### **LOCATION OF PROJECTS**

All of the projects proposed in this year's Action Plan would benefit low and moderate -income residents on a community-wide or countywide basis. Eligible projects are located in local census tract or block group areas in which more than 35.3% of the population has incomes that are considered to be low or moderate, based on the median income of Orange County. All geographic regions have populations that meet the criteria for low and moderate incomes.

In addition to community-wide projects, the Action Plan contains numerous projects (i.e. community centers, city housing rehabilitation and public facilities improvements) that are designed to benefit primarily the local residents of a specific area. Although such projects are found throughout the region, they are important to the site -specific locations.

### **HOMELESS AND OTHER SPECIAL NEEDS ACTIVITIES: 24CFR§91.220(e)**

The County continues to demonstrate efforts to provide services and resources for the homeless and its residents who have special needs. An estimated 45% of single homeless are mentally disabled to some extent and half have mild to chronic substance abuse problems. Among families, many are survivors of domestic violence. The following illustrates the use of CDBG, ESG and HOME resources. Additional funding from the Continuum of Care programs and local funds are not shown.

During Fiscal Year 2002-2003, the Urban County Program proposes to allocate approximately \$776,551 from CDBG and ESG funds to address the needs of homeless individuals and families. Activities include, but are not limited to, rehabilitation, improvements to facilities, operational costs for emergency shelter and transitional housing, and programs designed to prevent homelessness of low-income individuals and families with children (excludes Section 8 Rental Assistance).

#### **Homeless Activities**

Thirteen (13) nonprofit service providers and agencies that specialize in serving the homeless will be funded through the Urban County Program. The shelter facilities associated with these groups will provide housing related services during Fiscal Year 2002-2003. The following is a breakdown of Federal funds to be allocated for homeless needs:

<b><u>CDBG &amp; ESG</u></b>	
Emergency Shelters	\$242,775
Transitional Housing	121,375
Permanent Housing	41,750
Prevention	81,375
Support	<u>289,276</u>
<b>Total:</b>	<b>\$776,551</b>

#### **Other Special Needs Activities**

Eleven (11) nonprofit service providers, who specialize in serving the special needs of persons who are not homeless, will be funded with CDBG funds through the Urban County program. Together, these groups will provide housing and support services to families and individuals during Program Year 2002-2003. Services provided by these agencies are available to seniors, persons with mental or physical disabilities, persons with drug and alcohol addictions and victims of domestic violence.

The following is a breakdown of the total funds to be allocated to those groups with special needs:

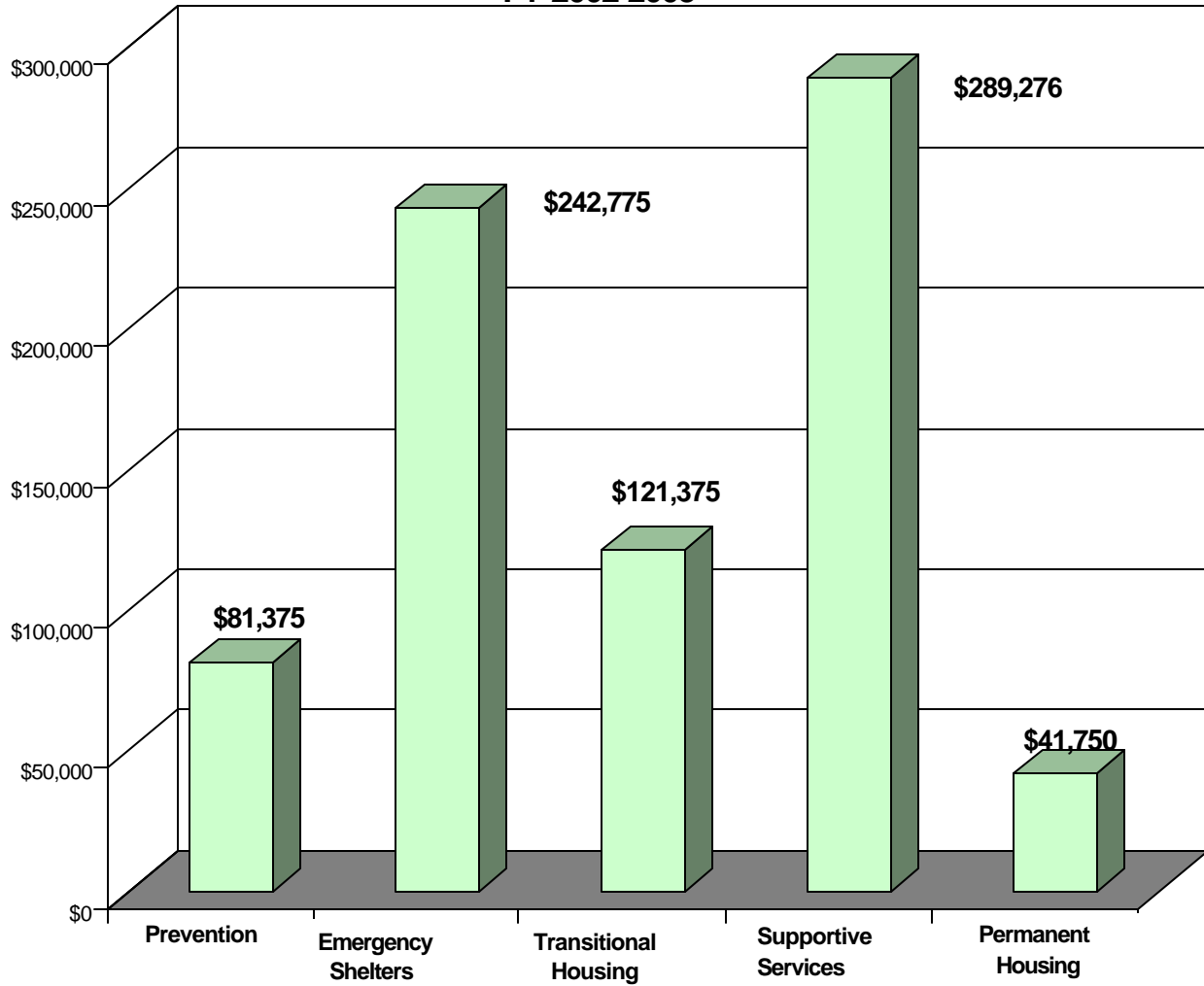
Seniors	\$115,000
Mental/Physical Disabilities	90,000
Drug/Alcohol Addiction	78,500
Domestic Abuse (Women/Children)	<u>200,500</u>
<b>Total:</b>	<b>\$484,000</b>

All services and facilities meeting homeless needs and special needs of certain persons who are not homeless are dedicated to serving individuals and families on a countywide basis. In almost all cases, assistance will not be limited to individuals and families within the proximity of the facility.

### ***Local Funding***

During FY 2002-2003, the County will also dedicate local funding to supplement the federal funds allocated to assist the homeless and non-homeless with special needs. For example, for the second consecutive year, \$170,000 in Housing Supportive Services (HSS) funds have been set-aside to fund the Cold Weather Armory Emergency Shelter Program. In addition, \$63,500 in HSS funds will be allocated to non-profits whose programs assist homeless youths, families and victims of domestic violence, while \$55,776 will be allocated to non-homeless with special needs (i.e. youths, and mentally ill).

**CHART I-4  
HOMELESS ASSISTANCE WITH  
CDBG/ESG FUNDING  
FY 2002-2003**



## **OTHER ACTIONS: 24CFR §91.220 (f)**

### ***Obstacles to Meeting Under-served Needs***

As discussed in the Consolidated Plan, obstacles to meeting the under-served needs of households within the low and moderate-income levels are generally based on available financial resources, construction costs and citizen support of the concept of affordable housing. The County has taken affirmative measures to improve on the availability and use of resources by allocating funds to a variety of activities and organizations.

The recruitment of lenders and banking institutions to participate in County housing programs has been ongoing. Current land use planning policies help to reduce costs and fees associated with new construction. Certain zoning regulations have been developed to allow greater flexibility to develop high-density projects. Finally, the County has made an effort to promote more citizen involvement in its activities to promote greater understanding of the issues associated with its housing and community development projects.

### ***Fostering and Maintaining Affordable Housing***

The County of Orange has annually demonstrated its commitment to providing and maintaining affordable housing to all sectors of the County. Beside participating in programs that rehabilitate existing affordable units and provide rental assistance, the County is committed to meeting a goal of being involved regionally in constructing 1,000 new affordable rental units for extremely low, low and moderate-income individuals and families as well as for persons with special needs (i.e., elderly and disabled). While such projects usually are undertaken within its jurisdiction, past contributions involving local funds have also included Single Room Occupancy (SRO), housing for the disabled or other projects within entitlement cities. No changes to its current policies are anticipated.

### ***Removing Barriers to Affordable Housing***

The County faces several constraints that hinder its ability to accommodate Orange County's affordable housing demand. The high cost of land, rising development costs, high development fees, and significant neighborhood opposition makes it expensive for both public and private developers to build affordable housing.

#### **Available Land**

Land appropriate for building affordable housing is expensive in Orange County, largely because it is scarce. According to *Affordable Housing Strategy for Orange County*, adopted by the County Board of Supervisors, May 4, 1999, high and rapidly rising land costs in the County continue to stifle development.

#### **Costs**

High development costs in Orange County also stifle potential affordable housing developments. Construction costs for residential units have increased rapidly over the last decade, to the point where a typical new two bedroom apartment costs around \$160,000 to develop. High costs can be directly linked to land costs, government fees, permits fees, costs relating to utility installation and hook-up and costs associated with delays in obtaining the required discretionary use permits and other entitlements.

Rehabilitation often incurs expensive temporary or permanent relocation costs. Mandated by the use of Federal or State funds, these regulations can add an additional \$20,000 per unit to the development budget. While tenants must be compensated for relocation expenses, these costs alone make many rehabilitation projects infeasible.

### **Article 34**

Article 34 of the California constitution requires voter approval of affordable housing projects using government funding that requires rent restrictions on more than 50% of low-income units (CDBG, HOME, or other sources). This law was championed by California Realtors and was intended to prevent expansion of public housing in the state. It has served as a major impediment to many other kinds of affordable housing however, adding delays, extra cost, and even more confrontational community politics to the already difficult development process. The County *did* pass an Article 34 referendum on June 2, 1980, when voters approved affordable housing in their communities subject to certain limitations. Several cities joined the unincorporated County on this initiative, so that affordable housing falling under Article 34's purview is approved not only in unincorporated areas but in La Habra, Anaheim, Buena Park, Costa Mesa, Huntington Beach, Los Alamitos, San Clemente, San Juan Capistrano, and Tustin. The limitation is that the total number of "low-rent" government-funded units produced cannot exceed 5% of the total number of dwelling units within the jurisdiction in question.

### **Neighborhood Concerns**

Many neighborhoods have an understandable concern with preserving property values and the quality of life in their communities. Unfortunately, many residents relate these concerns to the presence of affordable housing and have not recognized that well-built, attractive, well-managed affordable housing developments can, and have, *improved* neighborhoods. Nor are the residents in such quality developments necessarily burdens. Those served by affordable housing include:

- Teachers;
- Small-business owners;
- Police officers;
- Health workers;
- High-tech employees; and
- Entertainment industry workers.

As other jurisdictions has discovered, the failure to house the workers needed to support major industrial growth can have the effect of strangling local economies. In large part, the housing needs of Orange County center on the working population.

The County recognizes these barriers and continues to employ strategies to overcome them.

In 1999, the County Board of Supervisors adopted an *Affordable Housing Strategy for Orange County* which identified the best methods for fostering and maintaining affordable housing while addressing the existing barriers to building new affordable units. The County will continue to actively support and participate in a number of task force committees whose function is to better serve the affordable housing needs of Orange County. Examples are the Future Search Affordable Housing Collaborative and the Homeless Issues Task Force.

More recently, the County of Orange has addressed the issues surrounding land availability through the Housing Element process required by the State of California Housing and Community Development Department. The Housing Element document directly addresses the land available on which to develop affordable housing in Orange County. By 2005, the County is expected to need 22,500 new housing units, of which approximately 4,000 units must be for very-low income households. The County is working with landowners, business representatives, housing advocates and County officials to address how to provide these new affordable housing units and remove barriers.

### ***Reducing Lead-Based Paint Hazards***

The County of Orange currently requires the abatement of lead-based paint hazards in all units assisted with Federal housing and community development funds. There is currently an inability to comply with the HUD's Lead Safe Housing Regulation due to a need of certified lead hazard control contractors. In an effort to comply with this regulation the County has

developed a Consortium with the Cities of Anaheim, Brea, Buena Park, Costa Mesa, Cypress, Fountain Valley, Fullerton, Garden Grove, Huntington Beach, La Habra, Los Alamitos, Orange, Placentia, San Clemente, Santa Ana, Seal Beach, Stanton, Tustin, Villa Park, Westminster, and Yorba Linda. In the interim the County has agreed to submit a Lead-Based Paint Transition Implementation Plan to HUD. The Consortium's highest priority is to prepare the region for the implementation of the lead-based paint regulation. The Board of Supervisors, on February 5, 2002, approved using CDBG, HOME and OCDA funds to comply with federal lead-based paint hazard control mandates.

### ***Reducing the Number of Poverty Level Families***

Several programs administered by the County, such as the Welfare Investment Act (WIA) and CalWORKS, enacted January 1, 1998 to replace Greater Avenues for Independence -GAIN), are committed to helping low and moderate -income individuals and families in seeking employment. In a similar effort aimed to reduce the number of poverty level families in the Urban County jurisdiction, H&CD focused on the younger population of these communities.

The County will continue to carry out an anti-poverty strategy that promotes the enhancement of the housing and economic environment for those households living within or close to poverty levels. Maintaining our support of various supportive service agencies and maintaining current coordination efforts with the many other County social services agencies will accomplish this. These efforts, in conjunction with our current level of cooperation, financial support and communication with the nonprofit service providers and other County agencies that provide support services, will enable H&CD to ameliorate some of the impacts of poverty.

### ***Institutional Structure***

The County of Orange did not find any deficiencies in its current institutional structure. Therefore, no changes are anticipated. Section IV of the Consolidated Plan FY 2000-2004 contains a complete description of the County's institutional structure.

### ***Enhancing Coordination***

The County has maintained and strengthened its relationship with the private sector (for-profit owners, developers) and nonprofit developers by continuing to foster new opportunities to facilitate the development of more affordable housing projects. Through disbursement of available local resources (i.e., OCHA operating reserve funds and county redevelopment funds), H&CD has become involved in new housing construction projects in all parts of Orange County.

These new endeavors not only create additional affordable housing units, but several will also be developed to specifically help certain groups with special needs (i.e., elderly, disabled). The County does not recognize any deficiencies with its current coordination policies but has plans to enhance its relationships with the private sector, nonprofit and governmental agencies, schools and labor unions to facilitate economic opportunities for entrepreneurship into the neighborhood.

***Fostering Public Housing Improvements***

The County of Orange does not participate in a Public Housing Program. Therefore, no action is anticipated in this area during Program Year 2001-2002

***Public Housing Resident Initiatives***

The County of Orange does not participate in a Public Housing Program. Therefore, no action is anticipated in this area during Program Year 2001-2002.

**PROGRAM SPECIFIC REQUIREMENTS: 24CFR §91.220 (g)**

***Community Development Block Grant Program (CDBG)***

As indicated previously, the County of Orange anticipates receiving \$4,929,000 in new CDBG funds (excluding \$312,000 allocated to the Metro City of Yorba Linda) and approximately \$319,000 in Program Income for the 2002-2003 Fiscal Year. These funds will be used to fund the previously discussed activities. A detailed description of activities planned for use of new Federal funds is provided in the Listing of Proposed Projects in **Table 3** (see Page 20-A).

**Table I-10** below identifies the eligible activities in addition to the total CDBG and Program Income funding amounts, not including the Yorba Linda allocation.

**TABLE I-10  
CDBG Funding FY 2002-2003**

<b>Activities</b>	<b>New Allocation</b>	<b>Program Income</b>	<b>Total CDBG</b>
New Housing/Acquisition Construction	\$1,153,422	\$ 0	1,153,422
Administration & Planning	985,800	0	985,800
Public Facilities and Improvements	824,440	0	824,440
Public Services	739,350	17,500	756,850
Commercial Rehab/Economic Development	0	0	0
Housing Rehabilitation	679,444	186,900	866,344
<b>Grand Totals:</b>	<b>\$4,382,456</b>	<b>\$204,400</b>	<b>\$4,586,856</b>

Table I-10 does not include funds allocated for direct project costs or the CDBG allocation of Metro City Yorba Linda.

Among the eligible CDBG activities listed above, Administration and Planning activities have funding limitations imposed by federal regulations, therefore, funding cannot exceed 20% of the total CDBG revenues (new funds plus Program Income) and funding for public services cannot exceed 15% of the total during the program year.

The \$985,800 to be used by the County for administration represents the 20% allowed from the new CDBG allocation.

Similarly, a combination of \$739,350 in new CDBG and \$17,500 of Program Income funds will be used for public services for a combined total of \$756,850. Approximately \$ 599,950 of the CDBG funds will be used to assist the homeless.

Approximately \$866,344 in CDBG and Program Income funding is dedicated to housing rehabilitation during 2002-2003. This amount will be supplemented with approximately \$201,408 in new HOME funds and \$111,571 in HOME Program Income funds. After redesigning its countywide rehabilitation program, H&CD has resumed activity in this program.

In addition, the cities of Brea and San Clemente will use new CDBG funds to administer rehabilitation programs within their cities. The combined County and City-administered rehabilitation resources will be used to maintain the availability and habitability of affordable owner and renter-occupied units within their jurisdiction.

A total of six (6) projects were recommended to receive the \$824,440 in CDBG funds targeted for public facilities and improvements. These projects are related to infrastructure improvements including the rehabilitation of public facilities, roads, curbs and waterlines throughout the Urban County jurisdictions.

No "Urgent Need" projects are included in this application. The County does not have any surplus funds from any urban renewal settlements, and the County is not involved in float-funded activities.

The County will maintain its strategy to optimize CDBG and HOME resources for activities that address local objectives and priority needs identified in the Consolidated Plan. In addition to dedicating new resources for such projects, H&CD periodically reviews the progress of activities for which CDBG and HOME funds have been reserved in prior years. Such reviews are incorporated in the monitoring schedules to identify funds appropriate for reprogramming as "Amendments to the Action Plan." Subrecipients may also initiate requests for reprogramming. Unspent funds from previously planned projects may become available for reprogramming from:

- Projects which were completed for less than the budgeted amount
- Projects which have become infeasible or incompatible; or
- Projects that were not completed within their contract period and therefore have expired.

### ***HOME Investment Partnerships Program***

Investment of HOME funds are in compliance with all parts of 24CFR 92.205 (Eligible and Prohibited Activities) of the U.S. Department of Housing and Urban Development Rules and Regulations pertaining to the HOME Investment Partnerships Program. Furthermore, there are no investments that go beyond those cited in the aforementioned 92.205 regulations. The HOME program was established to improve and/or expand a jurisdiction's affordable housing stock, and a jurisdiction must invest all HOME Investment Program funds in affordable housing. HOME funds must be used for activities that target certain income groups, and in general the program requires deeper affordability than CDBG, meaning it reaches lower-income families. Rental housing is considered affordable and is thereby eligible for HOME funding with certain restrictions. During Program Year 2002-2003, the County expects to commit \$1,430,463 in HOME funds for projects to promote the development of additional affordable housing or maintain existing affordable housing in participating cities, target areas, and as needed, countywide. The amount of HOME funds reserved for administration in Fiscal Year 2002-2003 is the allowable 10% (\$176,500) of the anticipated HOME allocation.



**TABLE I-11  
HOME Funding FY 2002-2003**

<b>Activities</b>	<b>New Allocation</b>	<b>Program Income</b>	<b>Total HOME</b>
New Housing/Acquisition Construction	\$1,141,772	\$ 0	\$1,141,772
Administration & Planning	176,500	0	176,500
Public Facilities and Improvements	0	0	0
Public Services	0	0	0
Commercial Rehab/Economic Development	0	0	0
Housing Rehabilitation	177,120	111,571	288,691
<b>Grand Totals:</b>	<b>\$1,495,392</b>	<b>\$111,571</b>	<b>\$1,606,963</b>

Table I-11 does not include funds allocated for direct project costs.

H&CD will use \$1,141,772 in HOME funds for new housing acquisition/construction to acquire land, property or other related expenses to develop and provide affordable housing for low-income households. Organizations that qualify as Community Housing Development Organizations (CHDOs) are encouraged to apply for these funds for affordable housing acquisition, development or rehabilitation. Consistent with federal regulations, the county will dedicate at least 15% of HOME funds for use by Community Housing Development Organizations (CHDO's) selected through a competitive process. The CHDO Pre-Acquisition Loan Program was developed to support the emerging CHDO's by making financial assistance available. Loans to qualified CHDO's are to assist in pre-acquisition activities associated with the development of affordable housing for families at or below 60% AMI.

Home funds require a 25% match of non-Federal funds. In addition to cities which administer their own rehabilitation programs, the County typically uses local redevelopment funds to satisfy this requirement for both rehabilitation and new housing projects. The County expects to leverage its HOME funds with local NDAPP funds. This year, a total of \$2,998,135 in NDAPP funds will be used for affordable housing and housing rehabilitation activities.

**Homeownership Program – Resale Restrictions**

The County of Orange currently administers a Self-Help Homeownership Program using HOME funds whereby the County makes grants available to agencies for the acquisition of land. The subrecipient of the grant shall then build new dwelling units on the acquired land at their expense. The dwelling units are in turn sold to income eligible home buyers to be used as their primary residences.

As a condition of receiving the HOME grant funds, the County requires subrecipient of funding to enter into a thirty-year (30) year covenant agreement which is recorded against the property and runs with the land. The agreement contains a resale restriction stipulating that during the affordability period, the unit must be sold exclusively:

- At an "Affordable Price" (95% or less of the median purchase price for a single family house in the County); and,
- To a very low-income home buyer (50% of less area median income).

Additionally, should a default occur during the affordability period, the County reserves the right to purchase the property at the Restricted Sales Price, less the amount of assistance originally provided by the County, plus interest. The Restricted Sales Price is calculated using a formula which takes into account the purchase price, the change in consumer price index and improvements made to the property.

***Emergency Shelter Grant Program (ESG)***

The FY 2002-2003 ESG allocation of \$172,000, plus \$9,818 in recaptured funds, will be distributed among five (5) nonprofit organizations or service providers. Included among the services to be provided are emergency and/or transitional shelter for the homeless, services to assist the disabled, services for battered women, families with children, emancipated youth and assistance to single homeless men and women.

Maintenance and operating expenses	\$132,552
Essential Services	\$ 31,084
Homeless Prevention	\$ 0
Rehabilitation/Conversion	\$ 0
<b>Total (excluding direct project costs):</b>	<b>\$163,636</b>

Table I-12 shows the use of the above funds for each participating organization. Specific details concerning use of proposed ESG funds by each recipient are included in the project descriptions listed in **Table 3**.

<b>TABLE I-12</b>		
<b>ESG PROJECT FUNDING FY 2002-2003</b>		
City of Laguna Beach	\$ 15,000	Maintenance and Operating Expenses
Fullerton Interfaith Shelter	\$ 24,184	Maintenance and Operating Expenses
Laura's House	\$ 31,084	Essential Services
Orange Coast Interfaith Shelter	\$ 54,184	Maintenance and Operating Expenses
Thomas House	<u>\$ 39,184</u>	Maintenance and Operating Expenses
<b>Total:</b>	<b>\$163,636</b>	

*Does not include \$18,182 for Direct Project Costs (10% of total allocation).*

***GLOSSARY OF TERMS***

**GENERAL DEFINITIONS USED WITHIN THE CONSOLIDATED PLAN  
AND ANNUAL ACTION PLAN**

*Affordable Housing*: Affordable housing is generally defined as housing where the occupant is paying no more than 30 percent of the County gross median income for gross housing costs, including utility costs.

*AIDS (Acquired Immune Deficiency Syndrome)*: An acquired deficit in immune system functioning which reduces the affected person's resistance to certain types of infections and cancers.

*AIDS and Related Diseases*: The disease of Acquired Immune Deficiency Syndrome or any conditions arising from the etiologic agent for acquired immune deficiency syndrome.

*Alcohol/Other Drug Addiction*: A serious and persistent alcohol or other drug addiction that significantly limits a person's ability to live independently.

*Assisted Household or Person*: For the purpose of specifying one-year goals for assisting households or persons, a household or person is assisted if, during the coming Federal fiscal year, they will benefit through one or more programs included in the jurisdiction's investment plan. A renter is benefited if the person takes occupancy of affordable housing that is newly acquired, newly rehabilitated, or newly constructed, and/or receives rental assistance. An existing homeowner is benefited during the year if the home's rehabilitation is completed. A first-time homebuyer is benefited if a home is purchased during the year. A homeless person is benefited during the year if the person becomes an occupant of transitional or permanent housing. Households or persons who will benefit from more than one program activity must be counted only once. To be included in the goals, the housing unit must, at a minimum, satisfy the HUD Section 8 Housing Quality Standards (see section 882.109).

*Committed*: Generally means there has been a legally binding commitment of funds to a specific project to undertake specific activities.

*Consistent with the Consolidated Plan*: A determination made by the jurisdiction that a program application meets the following criterion: The Action Plan for that fiscal year's funding indicates the jurisdiction's planned to apply for the program or was willing to support an application by another entity for the program; the activities serve the geographic area designated in the plan; and the activities benefit a category of residents for which the jurisdiction's five-year strategy shows a priority.

*Cost Burden > 30%*: The extent to which gross housing costs, including utility costs exceed 30 percent of gross household income, based on data published by the U. S. Census Bureau.

*Cost Burden > 50% (Severe Cost Burden)*: The extent to which gross housing costs, including utility costs, exceed 50 percent of the County gross household income, based on data published by the U. S. Census Bureau.

*County of Orange*: The geographical area comprising the whole of Orange County which includes all cities and unincorporated areas (see definition of Urban County).

*Disabled Household*: A household composed of one or more persons, at least one of whom is an adult (a person of at least 18 years of age) who has a disability. A person shall be considered to have a disability if the person is determined to have a physical, mental or emotional impairment that:

- (1) is expected to be of long-continued and indefinite duration,
- (2) substantially impeded his or her ability to live independently, and (3) is of such a nature that the ability could be improved by more suitable housing conditions.

A person shall also be considered to have a disability if he or she has developmental disability as defined in the Developmental Disabilities Assistance and Bill of Rights Act (42 U. S. C. 6001-6006). The term also includes the surviving member or members of any household described in the first sentence of this paragraph who were living in an assisted unit with the deceased member of the household at the time of his or her death.

*Economic Independence & Self-Sufficiency Programs:* Programs undertaken by Public Housing Authorities (PHAs) to promote economic independence and self-sufficiency for participating families. Such programs may include Project Self-Sufficiency and Operation Bootstrap programs that originated under earlier Section 8 rental certificate and rental voucher initiatives, as well as the Family Self-Sufficiency program. PHAs may operate locally developed programs or conduct a variety of special projects to promote economic independence and self-sufficiency.

*Elderly Household:* A family in which the head of the household or spouse is at least 62 years of age.

*Existing Homeowner:* An owner-occupant of residential property who holds legal title to the property and who uses the property as his/her principal residence.

*Extremely Low-Income:* Households whose incomes do not exceed 30 percent of the median area income for the area, as determined by HUD, with adjustments for smaller or larger families and for areas with unusually high or low-incomes, or where needed because of prevailing levels of construction costs or fair market rents.

*Family:* A household comprised of one or more individuals. (The National Affordable Housing Act (NAHA) definition required to be used in the CHAS rule - equivalent to Census definition of household.) The Bureau of Census defines a family as a householder (head of household) and one or more other persons living in the same household who are related by birth, marriage, or adoption. The term "household" is used in combination with the term "related" in the CHAS instructions, such as for Table 2. when compatibility with the Census definition of family (for reports and data available from the Census based upon that definition) is dictated. (See also "Homeless Family")

*Family Self-Sufficiency (FSS) Program:* A program enacted by Section 554 of the National Affordable Housing Act which directs Public Housing Authorities (PHAs) and Indian Housing Authorities (IHAs) to use Section 8 assistance under the rental certificate and rental voucher programs, together with public and private resources to provide supportive services, to enable participating families to achieve economic independence and self-sufficiency.

*Federal Preference for Admission:* The preference given to otherwise eligible applicants under HUD's rental assistance programs who, at the time they seek housing assistance, are involuntarily displaced, living in substandard housing, or paying more than 50 percent of family income for rent. (See, for example, section 882.219.)

*First-Time Homebuyer:* An individual or family who has not owned a home during the three-year period preceding the HUD-assisted purchase of a home that must be used as the principal residence of the homebuyer.

*FmHA:* The Farmers Home Administration, or programs it administers.

*For Rent:* Year round housing units which are vacant and offered/available for rent. (U. S. Census definition)

*For Sale:* Year round housing units which are vacant and offered/available for sale only. (U. S. Census definition)

*Frail Elderly*: An elderly person who is unable to perform at least 3 activities of daily living (i.e.. eating, dressing, bathing, grooming, and household management activities). (See Section 889.105.)

*Group Quarters*: Facilities providing living quarters that are not classified as housing units. (U. S. Census definition). Examples include prisons, nursing homes, dormitories, military barracks, and shelters.

*HOME*: The HOME Investment Partnerships Act, which is Title II of the National Affordable Housing Act.

*Homeless Family*: Family that includes at least one parent or guardian and one child under the age of 18, a homeless pregnant woman, or a homeless person in the process of securing legal custody of a person under the age of 18.

*Homeless Individual*: An unaccompanied youth (17 years or under) or an adult (18 years or older) without children.

*Homeless Youth*: Unaccompanied person 17 years of age or under who is living in situations described by terms "sheltered" or "Unsheltered".

*Household*: One or more persons occupying a housing unit (U. S. Census definition). See "Family".

*Housing Problems*: Households with housing problems include: (1) occupied units meeting the definition of Physical Defects; (2) meet the definition of overcrowded; and (3) meet the definition of cost burden > 30%.

*Housing Unit*: An occupied or vacant house, apartment, or a single room (SRO housing) that is intended as separate living quarters. (U. S. Census definition)

*Institutions/Institutional*: Group quarters for persons under care or custody. (U. S. Census definition)

*Large Related*: A household of five or more persons which includes at least two related persons.

*LIHTC*: (Federal) Low-Income Housing Tax Credit.

*Low-Income*: Households whose incomes do not exceed 50 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 80 percent of the median for the area on the basis of HUD's finding that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes. NOTE: HUD income limits are updated annually and are available from local HUD offices for the appropriate jurisdictions.

*Middle-Income*: Households whose incomes do not exceed 95 percent of the median area income for the area, as determined by HUD, with adjustments for smaller or larger families and for areas with unusually high or low-incomes, or where needed because of prevailing levels of construction costs or fair market rents.

*Moderate-Income*: Households whose incomes do not exceed 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller or larger families, except that HUD may establish income ceilings higher or lower than 95 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

*Non-Elderly Household*: A household which does not meet the definition of "Elderly Household."

*Non-Homeless Persons with Special Needs*: Includes frail elderly persons, persons with AIDS, disabled families, and families participating in organized programs to achieve economic self-sufficiency.

*Non-Institutional*: Group quarters for persons not under care or custody. (U. S. Census definition)

*Orange County Housing Authority*: One of six local Public Housing Authorities in Orange County. When incorporated into the Housing and Community Development Department in 1991, it was renamed the Housing Assistance Division.

*Occupied Housing Unit*: A housing unit that is the usual place of residence of the occupant(s).

*Other Household*: A household of one or more persons that does not meet the definition of a Small Related household or a Large Related household, or is an elderly household comprised of three or more persons.

*Other Income*: Households whose incomes exceed 80 percent of the median income for the area, as determined by the Secretary, with adjustments for smaller and larger families.

*Other Vacant*: Vacant year round housing units that are not For Rent, For Sale, or Vacant Awaiting Occupancy or Held. (U. S. Census definition)

*Overcrowded*: A housing unit containing more than one person per room. (U. S. Census definition)

*Owner*: A household that owns the housing unit it occupies. (U. S. Census definition).

*PWA (Persons with AIDS)*: A person who has been diagnosed with Acquired Immune Deficiency Syndrome (AIDS).

*Physical Defects*: A housing unit lacking complete Kitchen or bathroom (U. S. Census definition). Jurisdictions may expand upon the Census definition.

*Project-Based (Rental) Assistance*: Rental Assistance provided for a project, not a specific tenant. Tenants receiving project-based rental assistance give up the right to that assistance upon moving from the project.

*Regional AI*: Regional Analysis of Impediments to Fair Housing Choice.

*Rent Burden > 30% (Cost Burden)*: The extent to which gross rents, including utility costs, exceed 30 percent of gross income, based on data published by the U. S. Census Bureau.

*Rent Burden > 50% (Severe Cost Burden)*: The extent to which gross rents, including utility costs, exceed 50 percent of gross income, based on data published by the U. S. Census Bureau.

*Renter*: A household that rents the housing unit it occupies, including both units rented for cash and units occupied without cash payment of rent. (U. S. Census definition)

*Renter Occupied Unit*: Any occupied housing unit that is not owner occupied, including units rented for cash and those occupied without payment of cash rent.

*Section 215*: Section 215 of Title II of the National Affordable Housing Act. Section 215 defines what constitutes "affordable" housing projects under the Title II HOME program.

*RHNA*: Regional Housing Needs Assessment for a six-County region which includes Orange County. The RHNA captures both existing need and project future need for the period 1998 to 2005.

*SCAG*: Southern California Association of Governments. Responsible for preparing forecasts to aid in planning for the region.

*Service Needs*: The particular services identified for special needs populations, which typically may include transportation, personal care, housekeeping, counseling, meals, case management, personal emergency

response, and other services to prevent premature institutionalization and assist individuals to continue living independently.

*Severe Cost Burden:* See Cost Burden > 50%.

*Severe Mental Illness:* A serious and persistent mental or emotional impairment that significantly limits a person's ability to live independently.

*Sheltered:* Families and persons whose primary nighttime residence is a supervised publicly or privately operated shelter, including emergency shelters, transitional housing for the homeless, domestic violence shelters, residential shelters for runaway and homeless youth, and any hotel/motel/apartment voucher arrangement paid because the person is homeless. This term does not include persons living doubled up or in overcrowded or substandard conventional housing. Any facility offering permanent housing is not a shelter, nor are its residents homeless.

*Small Related:* A household of 2 to 4 persons, which includes at least two related persons.

*Substandard Condition and not Suitable for Rehabilitation:* By local definition, dwelling units that are not in compliance with local building codes and/or housing quality standards, as to be neither structurally nor financially feasible for rehabilitation.

*Substandard Condition but Suitable for Rehabilitation:* By local definition, dwelling units that do not comply with local building codes or do not meet housing quality standards but are both financially and structurally feasible for rehabilitation. This does not include units that require only cosmetic work, correction or minor livability problems or maintenance work. The jurisdiction must define this term (i.e., standard condition, financially and structurally feasible for rehabilitation) and include this definition in the document (Glossary of Terms) portion of its Consolidated Plan submission.

*Substantial Amendment:* A major change in a housing strategy submitted between scheduled annual submissions. It will usually involve a change to the five-year strategy, which may be occasioned by a decision to undertake activities or programs inconsistent with that strategy.

*Substantial Rehabilitation:* Rehabilitation of residential property at an average cost for the project in excess of \$25,000 per dwelling unit.

*Supportive Housing:* Housing, including Housing Units and Group Quarters, that have a supportive environment and includes a planned service component.

*Supportive Service Need in FSS Plan:* The plan that PHAs administering a Family Self-Sufficiency program are required to develop to identify the services they will provide to participating families and the source of funding for those services. Supportive services may include child care, transportation, remedial education, education for completion of secondary or post secondary schooling, job training, preparation and counseling, substance abuse treatment and counseling, training in homemaking and parenting skills, money management and household management, counseling in homeownership, job development and placement, follow-up assistance after job placement, and other appropriate services.

*Supportive Service:* Services provided to residents of supportive housing for the purpose of facilitating the independence of residents. Some examples are case management, medical or psychological counseling and supervision, childcare, transportation, and job training.

*Tenant Assistance:* Rental assistance payments provided as either project-based rental assistance or tenant-based rental assistance.

*Tenant-Based (Rental) Assistance:* A form of rental assistance in which the assisted tenant may move from a dwelling unit with a right to continued assistance. The assistance is provided for the tenant, not for the project.

*Total Vacant Housing Units:* Unoccupied year round housing units. (U. S. Census definition)

*Urban County:* The geographical area within Orange County consisting of 14 participating cities (Brea, Cypress, Dana Point, Laguna Beach, Laguna Hills, La Palma, Los Alamitos, Mission Viejo, Placentia, San Clemente, Seal Beach, Stanton, Villa Park and Yorba Linda) and the entire unincorporated target areas: (Anaheim Island, Berry Dale Park, Back Bay, Colonia Independencia, Cully Drive, El Modena, Inter-Canyons, Mac Island, Midway City, Northeast El Modena, Olive Heights, Rustic Lane, Sherwood Forest, Southwest Anaheim, and West Anaheim).

*Unsheltered:* Families and individuals whose primary nighttime residence is a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings (e.g., streets, parks, alleys, etc.)

*Vacant Awaiting Occupancy or Held:* Vacant year round housing units that have been rented or sold and are currently awaiting occupancy, and vacant year round housing units that are held by owners or renters for occasional use. (U. S. Census definition)

*Vacant Housing Unit:* Unoccupied year-round housing units that are available or intended for occupancy at any time during the year.

*Worst-Case Needs:* Unassisted, very low-income renter households who pay more than half of their income for rent, live in seriously substandard housing (which includes homeless people) or have been involuntarily displaced.

*Year Round Housing Units:* Occupied and vacant housing units intended for year round use (U. S. Census definition). Housing units for seasonal or migratory use are excluded.

**NOTE: Terms not defined above may be defined in the specific instructions for each table**